

THE Hongkong Weekly Press

AND

China Overland Trade Report.

VOL. LXVII.]

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BIRTH.

On January 23rd, at Shanghai, the wife of A. R. DONNELLY, of a son (Stillborn).

MARRIAGES.

On January 21st, at Ningpo, HERBERT STANLEY REDFERN, M. Sc., to MARGARET BLACK MELVILLE JONES, (late of Chungking).

On January 24th, at Shanghai, ADOLF FRISENETTE of the Great Northern Telegraph Co., to Miss MARIA AUGUSTA EMILIE LÜHR, eldest daughter of the late Mr. W. Lührs, I.M. Customs.

DEATH.

On January 23rd, at Shanghai, JAMES BAGGARDGE, aged 48 years.

Hongkong Weekly Press.

HONGKONG OFFICE: 10A, DES VŒUX ROAD CL.
LONDON OFFICE: 131, FLEET STREET, E.C.

ARRIVAL OF MAILS.

The English Mail of January 10th arrived per the ss. *Delta*, on Thursday, the 6th instant.

FAR EASTERN NEWS.

Shortly after noon on Jan. 30th the excavators engaged on the Kowloon-Canton Railway works at Shatin joined their shaft with the tunnel from the north face. This carries the work so much nearer to completion and lessens the unpleasantness of the lot of the men employed in the tunnel, as they have now a plentiful supply of fresh air.

The promoters of the Hongkong Milling Co. Ltd. are to be congratulated on the rise of 50 per cent. in their shares in the first year's working.

On February 5th the lifeless body of Captain James Mackenzie, who was employed on one of Messrs. Butterfield and Swire's vessels, was found in the harbour by the water police. Mystery surrounds the circumstances of the death, and only a few days have elapsed since deceased was arranging about his new command at Messrs. Butterfield and Swire's office.

His Excellency the Governor and Lady Lugard held an official dinner at Government House on the 5th inst. in honour of Rear Admiral Yoshimatsu who is in command of the Japanese squadron in port. The guests who attended were:—Mr. and Mrs. A. Seth, Mr. P. Jacks, Mr. and Mrs. Dunn, Mr. and Mrs. Phelps, Mrs. F. B. L. Bowley, Mr. and Mrs. P. N. H. Jones, Mr. J. F. Boulton, Major-General Broadwood, Captain Heathcote, Colonel and Mrs. Riach, Major Macfarlan, Major and Mrs. Douglas H. Milton, Captain Chancellor, Captain Bennett, Captain and Mrs. Thompson, Commodore and Mrs. Stokes, Mr. Blachflower, Captain Erskine, H.M.S. *Bedford*, Commander Walter, H.M.S. *Merlin*, Lieut. and Mrs. J. A. Buebury, Mr. J. Orange, Mr. and Mrs. Griffith, Mr. and Mrs. A. Denison, Mr. and Mrs. Wen't, Miss Thormaehlen, Barone de Saint Pierre, Captain H.I.M.S. *Vesuvio*, Lieut. Commander Gariner Annibale, H.I.M.S. *Vesuvio*, Comm. and Madame Volpicelli, Mr. Mashiko, Captain S. Nishigama, Captain J. Yashiro, Commander N. Ishikawa, Lieut. H. Tamura. Invitations were also issued to Mr. and Mrs. Figg, Mrs. Macfarlan, Major and Mrs. Hatch, Mr. H. N. Mody and Commander von Coppel of the S.M.S. *Arcon*, but they were unable to attend.

KOWLOON PIGEON SHOW.

The annual show of the Kowloon Pigeon Club was held at the Kowloon Hotel on Monday and Tuesday, when a number of very valuable and pretty birds were exhibited, the list including Homers, Pouters, Jacobins and Owls. Many of the birds, which stood in cages set out on tables sheltered by trees were placed in the show, not for competition, but with the object of increasing interest in the rearing of pigeons. Mr. Logan, the president of the Club, has had a very busy time during the past two days in attending to arrangements, and the duties of Mr. G. W. Kynoch as judge were no light ones in deciding which of many excellent exhibits should be awarded the prizes. There was a large number of people at the show yesterday afternoon when the Cameron Highlanders' band attended and played selections of music. The following were the prize winners:—

Class I Thomas Pairs 1st Prize Mr. G. Watson.
" " 2nd Prize Mr. Alva.
" " 3rd Prize Mr. Osborne.
Class II Thomas Pairs Single 1st Prize
Sergeant W. Liden.
Class III Thomas Pair, Dragons, 1st Prize
Mr. Osborne.

"DAVID GILLIES" SUCCESSFULLY LAUNCHED.

At the Kowloon Docks on January 30th the launching of the Dock Company's new tugboat "David Gillies" took place in the presence of many interested spectators, among the number being Mr. H. P. White (Chairman of Directors), Hon. Mr. H. Keswick and Mrs. Keswick, Mr. and Mrs. Parlano, Mr. and Mrs. Silverstone, Mr. Gray Scott, Mr. and Mrs. A. G. Gordon, Mr. and Mrs. Gibbs, Mr. and Mrs. Fiddock, Mr. and Mrs. W. C. Jack, Messrs. Mitchell (Acting General Manager of the Dock Co.), A. Fuchs, A. Denison, P. Smith, Sinclair, J. Hand, T. Neave, J. Lambert and Captain W. E. Clarke.

At the appointed hour the usual order to clear the slips was given, and the smart and strong looking little craft made her way seaward amid much cheering and crackerfiring, being named by Mrs. Keswick before taking the water.

An adjournment was then made to the building noted for many of such gatherings, and there

Mr. H. P. WHITE, who presided, proposed the health of the lady who had christened this steamer, and success to the vessel. While the prosperity of the Dock Company depended, to some extent, upon the adversity of other people, he was sure they wished nobody any harm, but they hoped that success would come to the "David Gillies" both as tug and a salvage boat.

Hon. Mr. KESWICK responded for Mrs. Keswick, and on her behalf thanked the Company for the honour they had done her in asking that she should christen the steamer. The boat just launched had the name of "David Gillies," a good man, and they could therefore wish for her a long a useful and an honourable career (cheers).

The CHAIRMAN then proposed the health of the builders of the vessel.

Mr. GRAHAM in responding said he could assure the Chairman that the Dock Company had a staff second to none in the East. It did not matter when they had to work whether they had to work night or day, or what they had to do, they were equal to it. Last year they had felt the need of such a vessel as the "David Gillies," and her presence would help them considerably.

The "David Gillies" is a steel, triple expansion, twin-screw tug. She has a length between perpendiculars of 150 ft.; breadth, moulded, 27 ft.; and depth, moulded, 14 ft. 6 in. Her mean draft is 10 ft. 9 in. She is provided with engines of the inverted, vertical triple expansion, surface condensing type; the diameters of cylinders are 13 in., 22 in., and 35 in., and length of stroke 30 ft. The two boilers with which she will be fitted are cylindrical re-arc tubular and are built of mild steel, their diameters being 18 ft. 6 in. and length 10 ft. 6 in. Their working pressure is 180 lbs. to the inch.

CHINA'S PROVINCIAL REBELS.

(Daily Press, February 4th.)

We have had occasion more than once lately to allude to the Salt Smugglers of Kiangsu and their extraordinary relations with the local officials, which has long been a disgrace to the entire administration, not only of the province but of the Empire at large. Originally sprung into existence through the connivance of the provincial officials, who made use of them to draw into their own hands the imperial revenue due from the Salt Gabelle, of late years the completely organized society of the Salt Smugglers has assumed a conjoint authority in the frontier districts of Chehkiang and Kiangsu with the Emperor's own officials, and practically rules whole districts from Shanghai to the regions surrounding the Tai Hu. In the districts adjoining Shanghai it carries on its proceedings practically openly, and has its own officials and its own police who bring notice of any infraction of its regulations, and whose energies are more especially devoted to the rooting out of informants who may give any clue to the machinations of the confraternity. Since the mischievous Taotai YUAN in 1906 formed an unholy alliance with the chiefs of the Smugglers to destroy the Foreign Settlements at Shanghai, the fraternity has felt itself powerful enough under threats of exposure to set at defiance the regular provincial officials; and the whole of the lower country may be said to exist under a rule of terrorism. This extends to the immediate precincts of the Foreign Settlements, where almost nightly outrages, for the most part outside the limits of the foreign police, but occasionally within the boundaries are reported; and it is only through the energetic and constant control of the armed and well disciplined foreign police of the Settlements that these disorders are prevented day by day from breaking out into open violence. More recently, encouraged by the impunity accorded by the incapacity of the local government to control so powerful an organisation, these outrages have been increasing in audacity, and now the persons and property of the officials themselves, which up to this had been studiously and even ostentatiously respected, are openly threatened; and it is daily becoming more evident that certain disloyal officials are really at the bottom of the disorder. As we showed the other day, the agitation, nominally against the British and Chinese Syndicate and the proposed Railway loan, are really at bottom directed against the Central Government, and its efforts to bring under Imperial control the hitherto semi-independent Provincial administrations. Of this we have evidence on many sides, not the least instructive of which is the part being played by SHENG KUNG-PAO, who almost openly is fanning the fires of disorder.

Certain of the higher officials of the province have apparently been making feeble efforts to ease, or put an end to, the general state of terrorism, and there is little doubt that the late attack on the train of passenger boats proceeding under tow from Hangchow to Shanghai, and in a well traversed waterway, was carefully planned beforehand, and was intended as a distinct threat to Peking of armed resistance in case of further attempts to interfere in provincial affairs. The steamer and train selected for the first attack belonged to the China Merchants Company, which is essentially a metropolitan institution, and as such is not viewed by the provincials with over loving eyes; the second was the property of a Japanese Company, and there

is little doubt that this was likewise intentional in order to embarrass the Peking administration as much as possible, quite as much, or more, as from any local anti-Japanese dislike. We have pointed out in our previous notice, that this powerful organisation of the Kiangsu Salt Smugglers, unless brought under control was likely in the near future to prove a public danger. Practically, as being a source of private income to the local administrators, the existence of the association was winked at, if not covertly supported as a means of eeking out the revenues of the Provincials, and they entered into this with all the more readiness that they conceived that in accepting hush money from the Smuggler's Association, they were really deflecting into their own pockets money which would otherwise have gone to Peking. It is unfortunately the case that in this miserable business the hands of Peking are scarcely, if at all, cleaner than those of the Provincials. Peking was, in fact, as wide awake to the increase in the income of the local officials as they were themselves; but instead of taking measures to repress the evil, it has by increasing its vails on the appointees to local office really contributed to making them more permanent. Long ago the ancient Chinese ballad sang:

Who learn no right, know no remore,
Are woman and her unsexed crew.

And the aphorism is as true in the present day, as in those olden times when it was the common bruit of the empire.

It is things like this that occurring from day to day go far to cast suspicion on the genuineness of the Chinese cry for reform. At all events, as we have often remarked, reform in China, to be possible, must begin at the fountain head; it is utterly impossible to attempt to cleanse the hands of the provincial administrations so long as the system of vails, now more than ever in full play, prevails in provincial appointments. No officer who has left in a corner of his mind a spark of financial honesty, could remain in a post where lying and concealment is the first requirement for success. The stream of promotion is poisoned at the source, and the promotee must drink of it or perish from thirst. There is indeed a good deal of reason to connect the last outbreak of savagery with the exaction of the 50,000 taels indemnity for the damage done in the Foreign Settlements at Shanghai by Taotai YUAN and his confederates of the Salt Smugglers. After shuffling without avail to get out of responsibility for the affair, it was announced that YUAN himself, to save further embarrassment to the Wei-wu-pu, would pay it out of his own pocket; such a solution seemed to meet admirably the justice of the case. But there was something behind this pretended magnanimity. The officials implicated in their turn tried to levy it off the Salt Smugglers, already discontented at recent additions to their hush money; and these latter taking advantage of the discontent stirred up by the Provincials in Chehkiang by men like SHENG KUNG-PAO and others, seized the opportunity to make themselves even with their former "pals," but now, as they regard them, their oppressors; and determined to give them a lesson not likely to be forgotten. An incident overheard at the looting of the tow-boat Pengli, clearly lends support to this contention, and is, in fact, otherwise inexplicable. A leader himself of the robbers, struck with sympathy when he saw a wounded father bending over the dead body of his son, a young student, gave the old man a douceur of fifty dollars, adding that "If he applied to the Taotai

of Shanghai he would make it more." Doubtless the Taotai fully comprehends the meaning of the hint.

Of course, and herein lies the especial danger of the position, when the worst spirits of lawless men are once excited, they become regardless of all control; and the present is an instance in point. The ranks of the gang are no longer confined to government property, but are indifferently applied to paralysing the entire trade of the inland waters of Kiangsu.

TRAMPS.

(Daily Press, February 5th.)

At the annual meeting of the Manchester Crematorium Ltd., last month, some extraordinary views were expressed by one of the directors, a Mr. FREDERICK SMALLMAN. His colleagues at once issued a letter disclaiming any sympathy with his opinions, and few readers will wonder at this when they have digested the following summary of them. Mr. SMALLMAN said that a wonderful impetus would be given to the "movement" if cremation were made compulsory in certain cases. What he called the "movement" was, of course, the unpleasant business from which, presumably, he derives dividends, and his attitude so far is merely that of the gleeful undertaker in a time of pestilence, who rubs his hands at the prospect of brisker trade. He thinks that the sentiment against the crematory method of disposing of corpses would become less strong if the public were habituated to the idea by its compulsory adoption in the case of murderers. So far, Mr. SMALLMAN had not said anything to be ashamed of; there are many people who believe that the living would benefit by the cremation of the dead. Mr. SMALLMAN, however, seems to have plunged straightway into a confluence of two different streams of thought. His professional hopes and his personal antipathies enticed him into the sensationalism with which his colleagues dreaded to be associated. He went on to advocate euthanasia, for all who either deserved or desired it. In the latter case, there is no need to make provision: the means are not difficult to procure, and to offer them publicly would simply be to multiply hasty decisions and fatal mistakes. In the former case, the difficulty is at once apparent. Who should apportion the deserts of men? Certainly not intemperately antipathetic persons like the director with the appropriate surname. Mr. SMALLMAN went on:

"I would suggest that a lethal chamber should be erected, not only for criminals, but also for all who are useless and worthless tried of life, and who do not wish to live any longer and I feel sure that the introduction of a lethal chamber would be a great boon to such."

Mr. SMALLMAN next proceeded to talk about the professional tramp. He would not extend the slightest mercy to the professional tramp, who should be put out of his existence as speedily and painlessly as possible. It is almost surprising that he should have remembered to recommend a painless method, seeing how he regards them—the tramps. We wonder what Mr. SMALLMAN knows about tramps. Had he any acquaintance with them? We doubt it, for he regards the professional variety as the most objectionable, whereas it happens to be the casual type who is the nuisance. During a journalistic investigation in England over a dozen years ago, we studied the tramp at close quarters, in the only way possible to do so. It was interesting, if not exactly

pleasant; and we mention it only in order to introduce a novel point of view that we thereby secured. It was a professional tramp, a man of intellect, and in his own way a very gentlemanly philosopher, who in conversation with us deplored the foolish indiscretions of those casual loafers who steal chickens and in other ways annoy the public and the police. He regretted these petty crimes and misdemeanours, not on moral grounds, but because they made things uncomfortable for the regular professional nomads who believe in honesty as the best policy. The professional tramp does not pretend to be looking for work. This one did not. He did not pretend either that he was merely a victim to that overpowering instinct for wandering, which the Germans have recognized by giving it a name. He claimed ability to get the bare necessities of life by the exercise of his wits, in various honest ways. He did not disdain luxuries, but he loathed work under existing conditions more than he liked luxury, and he found it congenial to dispense with some things rather than to labour for them. His point of view has since been admirably expressed by a newly popular writer called HUBERT BLAND; and expressed in such similar terms as to leave us wondering if perchance the tramp we left lying on the Hog's Back close by Wimbledon has not managed to find congenial employment in literature. Mr. BLAND writes:

"A certain percentage of us are born with an ingrained preference for the road as compared with the slum or the workhouse. The slum has its diversions, the workhouse its comforts, the high road its freedom; and to the Tramp-nature freedom is a fair offset against the loss of the diversions and the comforts. Men do not take to the road because they like it, but because they prefer it to the only other alternative with which life faces them. Had Sir Walter Raleigh, for instance . . . [our friend of the Surrey sea, we remember, cited Raleigh, Drake, Froisher and Co. as men who would not have made reputable citizens in Whitechapel] . . . been born on one of the lowest social levels, or come to grief in middle life and been compelled to choose between hard and ill-paid work in cities, or no work on the high road, can we doubt what his choice had been? Sir Walter was born a gentleman, bred in the atmosphere of Courts, and he plundered Spanish galleons. The tramp is born a workman's child, bred in an alley, and he robs hen-roosts. Sir Walter ended his days upon the gallows. The tramp will die in a ditch. Both know the insides of prisons . . . The spiritual stuff of the pair is pretty much the same. I find it possible to figure to myself Sir Walter Raleigh trudging along this road clad in rags and broken boots, carrying all his worldly wealth wrapped up in an unspeakable handkerchief, scowling with curled lip the road-menders by the wayside breaking stones for bread, and determined in his heart that some industrious tradesman or poultry-keeper should provide him his night's refreshment. But for the life of me I can't even picture him rising at daybreak on an autumn morning and setting off for the factory or workshop, there to labour at monotonous toil until nightfall; and proceeding to do the same thing, day in, day out, until the last day of all, the day of the cheap funeral provided by the burial club. And yet the man who does all these dull things is the good and worthy citizen, the intelligent voter upon whom all the hopes of democracy are set, the man we want to encourage, and whose number we want to increase.

After looking up and quoting that interesting passage, we see we must apologise to Mr. BLAND. His peroration proves that it was not he with whom we talked a whole afternoon. Whatever Sir WALTER RALEIGH might have done, the professional tramp will not steal chickens. All he wants is to be let alone, as we understood him, and he knows that Society will not let him alone if

he meddles with its property. All he shirks, at some cost to himself of self-denial and discomfort, is the "demolition grind" so vividly described by Mr. BLAND. It is clear that we have no right to loathe him for that; and it is equally clear that he deserves a little more sympathy than Mr. SMALLMAN of Manchester would give him. Just as that gentleman's colleagues hastened to dissociate themselves from his views, let us try to dissociate ourselves from the unthinking mob that judges and condemns so rashly; let us look always for other points of view before claiming, like CONFUCIUS in his youth, that our opinions are fixed; let us not forget that "audi alteram partem" is always, even in the most unlikely cases, a good working rule. It is a rule that works both ways, remember. It is conventional to praise unreasoningly as well as to blame, and to praise without examination is as bad as to blame. It is terribly trite, and yet terribly necessary, to keep reminding ourselves that "things are not (always) what they seem."

MINING IN CHINA.

(Daily Press, February 6th.)

It is quite clear that there is no prospect for foreign capital in Chinese mining enterprise. Taking the case of a coal-mine, the Shanghai correspondent of the *Times* gives a shockingly suggestive summary of the conditions on which alone CHANG CHIH-TUNG seems willing to accept the use of foreign capital for the mineral development of China. The gist of the rules laid down for the foreign capitalist who wishes to invest in coal mining is thus clearly set forth:

1. To place himself and his capital under the laws of China in all matters of civil jurisdiction. (Sections 49 and 60.)
2. In the event of being charged with any criminal offence, and subsequently acquitted by his Consular authority contrary to the wishes or sentiment of the Chinese, to be debarred with all his nationals—from further mining operations in that province.
3. To divest himself of Consular and Diplomatic protection in regard to his vested interests. (Section 49.)
4. To recognize the right of the provincial authorities to stop work at the mine, and involve him in the loss of his capital, without compensation. (Section 49.)
5. To give a bond, and to be officially certified by his Consul as accepting these regulations. (Section 59.)
6. To undertake to abide by all amendments which the Chinese Government may hereafter introduce into these regulations. (Section 49.)

After fulfilling these conditions and divesting himself of extra-territoriality and treaty rights, the working of his mine will be subject to the following liabilities and payments:

Government land tax.
Government mining rentals and prospecting fees (small but vexatious).
Tariff duties (and presumably *lekin* on output).

Pitmouth tax—one mace per ton (which amounts to a tax of, say, 5 per cent. to 10 per cent. on pitmouth value of coal).

Twenty-five per cent. of net profits to landowner and 25 per cent. to the Chinese Government.

If taxes are in arrears the mining rights lapse.

Thus it is made quite clear that the latest Chinese code of Mining Regulations is impossible of acceptance, and at the same time there is the suspicion that they were never expected to be accepted. It looks as if the patriotic objection to foreign capital had inspired this means of deliberately scuttling it away. It is stated that CHANG CHIH-TUNG in compiling the regulations had the assistance of the American missionary who acts as his foreign adviser. Those who are

interested in concessions granted prior to the compilation of these regulations will not be likely to admire that gentleman. Owners of Mining concessions secured before these regulations were published were never expected to take more than an academic interest in them, but Article 8 goes as near being retrospective as was decently possible. It says:

If any of these articles are found disadvantageous to, and embarrassing to, the interest of concerns already in operation, or to whom permission has been granted to open and work mines, the circumstances may be pointed out to the head office, which can submit the objection to the Board through the Governor for alteration, if such protest is made within six months of the issue of these regulations.

All foreign mining industries must submit their reports or objections to the Wai Wu Pu through the same channel, and, providing China's sovereignty or the public peace are in no way injured, some modification may be made in the rules to suit their case. All who apply for permission to open mines after the issue of these regulations must be bound by the terms of the regulations without any alienation or amendment.

Of these regulations, the *Times*' correspondent says "the Chinese themselves do not take them seriously, recognizing that they are more concerned with politics and sovereign rights than with mining. Chinese owners of mineral-bearing properties are also aware that, for them, such regulations are not meant to be taken *au pied de la lettre*; that their application in any given case will continue to depend on circumstances and the rapacity of deputies and local officials, a matter of customary compromise, of give and take. Regulation-framing has assumed the proportions of an industry in China, and the tendency of the Government to frame voluminous codes of rules has recently been accentuated in proportion to the increasing numbers of its irresponsible advisers; witness the endless regulations issued by the Boards of Education, War, and Domestic Affairs. But the foreigner, investing his capital in China, cannot afford to ignore the letter of the law, however unjust or absurd it may be; himself amenable to the strict jurisdiction of his Consular authorities, and with no means of redress in the case of arbitrary treatment except the tedious and uncertain processes of diplomatic intervention, he naturally asks that the conditions under which his capital is invested may be reasonable, practical, and clearly defined. To require him, as a condition of entering upon operations in partnership with Chinese subjects, to accept Chinese jurisdiction and to obey the laws of China, when no man knows what those laws are to-day or what they may be to-morrow, is equivalent to prohibiting all development of the country's mineral wealth by means of foreign capital and scientific methods; which is precisely what H.E. CHANG CHIH-TUNG intended. Looking at the matter from the "Young China's" point of view, and remembering certain of their country's unfortunate experiences with foreign capitalists and *concessionnaires*, the conservative Viceroy's attitude is intelligible enough. To him and to his large body of followers the foreigner is identified with forcible exploitation of the country; and they would rather that their mines should remain unopened for centuries than work them under conditions which admit the European's privileged or superior position. Herein the Chinese patriot derives his ideas directly from Japan, and, forgetting that his country has as yet effected none of the political and administrative reforms which enable Japan to dispense with the assistance (though not with the capital) of Europeans, he proceeds as if China were

already in a position to work out her salvation on similar lines, as if her treaties were already revised." It is the old, old story, that grows tedious by repetition, but since there is nothing else to say, and something must be said, the outpouring goes on, like a Tibetan prayer-wheel.

HONGKONG LEGISLATIVE COUNCIL.

A meeting of the Hongkong Legislative Council was held on the 6th instant in the Council Chamber.

PRESENT:—

HIS EXCELLENCY THE GOVERNOR, SIR FREDERICK JOHN DEALTRY LUGARD, K.C.M.G., C.B., D.S.O.

Hon. Mr. F. H. MAY, C.M.G. (Colonial Secretary).

Hon. Mr. A. M. THOMSON (Colonial Treasurer).

Hon. Mr. W. REES DAVIES, (Attorney-General).

Hon. Mr. W. CHATHAM, C.M.G. (Director of Public Works).

Hon. Mr. A. W. BREWIN (Registrar-General).

Hon. Commander BASIL R. H. TAYLOR, R. N. (Harbour Master).

Hon. Dr. HO KAI, M.B., C.M., C.M.G.

Hon. Mr. H. E. POLLOCK, K.C.

Hon. Mr. E. A. HEWETT.

Hon. Mr. H. KESWICK.

Hon. Mr. WEI YUK.

Hon. Mr. E. OSBORNE.

Mr. A. G. M. FLETCHER (Clerk of Councils).

MINUTES.

The minutes of the previous meeting were read, and confirmed.

PORTUGAL'S CALAMITY.

HIS EXCELLENCY—Gentlemen, Before we proceed with the business of the day I rise to propose the following resolution:—"That the Legislative Council of Hongkong, on behalf of the community, records its abhorrence of the crime committed upon the persons of the late King and Crown Prince of Portugal, and expresses heartfelt sympathy with Her Majesty the Queen of Portugal in her bereavement, and with the Portuguese nation on their calamity." There is little for me to add to the words of this resolution which, I think, expresses the feelings of us all. Portugal has been our ancient ally before the days of the Peninsular war, and our sovereigns have been associated in terms of friendship and intimacy, and quite recently we knew, the King of Portugal was a welcome visitor in London. The friendship which exists between the two parent states is reflected in our relations with Macao, the nearest Portuguese Colony to Hongkong. We have also a large number of Portuguese residents in our Colony, who form perhaps the most stable part of the population. In these circumstances I think hon. members will agree with me that this resolution expresses our most sincere feelings, and I am glad of the opportunity of expressing our sympathy with the Portuguese people and the Portuguese crown in their present calamity, and have also to express our hearty detestation of the abominable crime which has robbed the country of its King and the Heir Apparent.

Hon. Dr. HO KAI—Sir, Most respectfully and sympathisingly do I second the resolution just proposed by your Excellency. The dastardly and cruel deed has excited feelings of intense horror and abhorrence throughout the civilised world, and I am sure that every, honourable member of this Council, and every person in this cosmopolitan community of Hongkong, is desirous of expressing the profoundest sympathy with Their Majesties the Queen Regent and the King, and the great Portuguese nation in their sorrow and bereavement.

The motion was carried unanimously.

FINANCIAL MINUTES.

The COLONIAL SECRETARY, by command of His Excellency the Governor, laid on the table Financial Minutes Nos. 3 to 5, and moved that they be referred to the Finance Committee.

The COLONIAL TREASURER seconded, and the motion was agreed to.

FINANCE.

The COLONIAL SECRETARY, by command of His Excellency the Governor, laid on the table the report of the Finance Committee (No. 1) and moved its adoption.

The COLONIAL TREASURER seconded, and the motion was agreed to.

ADDITIO AL CATTLE BYELAW.

The COLONIAL SECRETARY—Sir, I beg to move the approval by this honourable Council of an additional Byelaw made under section 16 of the Public Health and Buildings Ordinance. This byelaw, which is very short, explains itself, and requires no further explanation from me.

The DIRECTOR OF PUBLIC WORKS seconded, and the motion was agreed to.

The byelaw reads as follows:—

The drenching of any animal with any substance whatever in a Government Depot, except with the permission of the Colonial Veterinary Surgeon or of the Inspector on duty, is prohibited.

KOWLOON-CANTON RAILWAY.

Hon. Mr. OSBORNE, pursuant to notice asked—Will the Government cause to be published, a report concerning the Canton-Kowloon Railway (British Section) covering the period from the inception of the scheme to 31st December, 1907, giving the original and amended estimates of cost and such other details of finance, route, control, &c., &c., as may with propriety be made public?

The COLONIAL SECRETARY replied:—

Finance:—The cash for payment of construction of the Railway is being obtained by advances from the Special Fund for repayment of the last loan according as the annual instalments of £110,000 repayable by the Viceroy at Wuchang are received. When these amounts are insufficient temporarily to meet expenditure advances are obtained from other funds in the custody of the Crown Agents whether belonging to this, or any other Colony. These advances will of course be temporarily recouped after the completion of the Railway by the further receipts from the Viceroy. Interest is payable on such advances hitherto at the rate of £3 13s. per cent. out of the General Revenue of the Colony; but they will be payable out of the receipts of the Railway when it is in working order.

Control:—A detailed Estimate having been prepared and sanctioned by the Colonial Government, the local control of the work is within the Estimate vested in a Resident Engineer selected by the consulting Engineers and serving under agreement for a fixed period—for all purposes of discipline and account as the servant of the Colonial Government. For instructions bearing on the technical nature of his work he consults the Consulting Engineers under whom he is responsible for its efficient and economical execution. In all other matters including any variations in the cost of the work or any portion of it, he must consult the wishes and obtain the sanction of the Colonial Government. With regard to the rate of progress I had hoped to lay before the Council a report from the chief Resident Engineer prepared by your Excellency's direction, but it did not reach the printers in time and I hope to later lay it before the Council.

GOVERNOR'S SPEECH.

HIS EXCELLENCY—I propose to make a further statement in reply to the question which stands in the name of the hon. member at the end of the table. When the resolution regarding the expenditure for the current year on the railway was before the Council the Colonial Secretary proposed that it should be referred to the Finance Committee. This course was a logical purpose, in order to give hon. members every opportunity possible for asking for whatever information they required, and also to enable the Government to ascertain in what direction information was required with a view to providing it as fully as possible. My hon. friend on the left assured members that I should be most willing to give every information in my power. I may go further and say I welcome this opportunity since one has not recently arisen to make as full a statement as possible on the subject of the whole course of the railway. A certain amount of information on the question proposed by the hon. member is contained in the paper which has been placed before you. He

asked for information both as to the control, finance and route of the railway, and also as regards its history, and I will endeavour as fully as I am able to do so, to give the information on each of these heads. You will recollect that in 1905 it was decided to build the railway by means of a loan. It was not a question of whether the undertaking would be an immediately remunerative concern; it was not a question of whether the railway would pay interest and sinking fund on the capital expended, or even if it would pay working expenses. It was a question of preserving the predominance of Hongkong. It was a question of seeing that the final outlet of the great railway of China should be at Kowloon, and no other place. I think therefore, it was with the consent of the whole community that the decision was arrived at, a decision which I personally most heartily concur with. The first step to take was to make a preliminary survey, and to base upon it a preliminary estimate. The task was entrusted to an able engineer, Mr. Bruce, and I think we can say it was well done. Those of you who have any personal experience in railway construction know it is not practicable to expect that a preliminary survey shall be accurate in all its details, nor is it practicable to expect that there shall be no alterations found necessary in the alignment first laid down when it comes to be examined in detail by the constructing engineers. The estimate made by Mr. Bruce amounted to \$4,470,000 to which had to be added the estimate of the hon. the Director of Public Works for a reclamation of a section which amounted to \$585,000, which made the total \$5,055,500. This estimate included certain land resumptions and station buildings, but it did not include any provision for telegraphs, fencing, and I think it included no provision for storage godowns. There also had to be added subsequently provision for double bridges. This was undertaken in consequence of clause 2 of the first loan agreement, and I think that the same is being done on the Canton section. The iron work is for a single line only. It may appear to many hon. members that if any anticipations were formed of the line going to be double in any section, those anticipations would mostly apply to the tunnel, since it would be impossible to broaden it once the lining had been completed. I am assured by the Chief Resident Engineer that two parallel single line tunnels only cost some 25 per cent more than one single double tunnel owing to the space wasted by the height and the area of excavation involved. And he tells me also that even were the line double throughout with the sole exception of the tunnel it would cause little block or delay if a signal station were at each end. I will turn to the history of the railway. The Secretary of State for the Colonies decided it should be constructed on what is known as the departmental system, through the medium of the Crown Agents. This is not the time or place for me to criticise that system. The Government that adopted it claims that it saves contractors profits; that alterations which further examination of the country, or enlarged or altered views can at any time be made without the liability to contractors which would be incurred if the contract had already been signed. It gives more direct supervision of the cost to the Government, and gives it more discretion as to change. These, gentlemen, are great advantages. The system as adopted in practice has also, however, weak points, the chief of which in my opinion is that the local Government is not in sufficiently close touch with the consulting engineers and does not correspond directly with them. The Chief Resident Engineer arrived in March 1906. My predecessor in his great anxiety to push forward with the utmost possible despatch, resumed lands in the neighbourhood of Taiipo and instructed the Colonial Public Works Department to begin work at once. In November 1905 the Chief Resident Engineer on arrival, after making a detailed survey, decided to run the line from the neighbourhood of Taiipo somewhat more inland than had been arranged in Mr. Bruce's survey. The former line had run in that neighbourhood almost completely over the sea bed which involved very costly bridges and some danger from heavy seas. The new alignment was conducted very carefully indeed

in order to endeavour to balance the amount of cutting with the amount of earth required for reclamation. He also decided to make a small tunnel from a small hill near Taipo instead of going round it and he succeeded in finding a way of avoiding the dangerous point at which the maximum gradient and limiting curve were simultaneously obtained at a point overhanging a dangerous river. It was an undeniable improvement for the road, and the line was at the same time shortened. These alterations, especially the latter one, unfortunately involved the abandonment of a considerable portion of the work that the Public Works Department had been ordered to do. New land had to be resumed, old land had to be sold. A small loss was incurred on that which forms a debit in the new estimate, but I think probably the bank railway no longer required will be used for the formation of a road. There were some other minor alterations in order to avoid the costly resumption of land, and in order to facilitate the bridging of roads several roads had to be altered, especially Taipo Road, Gascoigne Road and Des Vaux Road. In June 1907 the Chief Resident Engineer presented his estimate which amounted to \$2,901,052 or an increase of \$2,948,442. The statement which will be laid later shows an increase under each head, but I propose with your permission to endeavour to give you a clearer grasp of the general reasons of the increases in the estimates than can be obtained from a mere table of figures. In the first place, under earth work, the Chief Resident Engineer states that the former estimate was hardly half sufficient under the rates, but it is very difficult of to know exactly what rates Mr. Bruce had calculated at, because no drawings or calculations of quantities and rates were supplied with the estimates. The Chief Resident Engineer says he has since his arrival here considerably reduced the rates he found were paid for earth work when he arrived in the Colony. In spite of that reduction he says he is quite confident that Mr. Bruce's line could not have been made for the full extent of the present estimate. In the same way, as regards bridges, these were similarly under-estimated, and too little was charged for supervision. The alterations which I have described in the alignment of the railway, I am assured, involve no extra cost whatever, and the Chief Resident Engineer says he is perfectly certain that the consulting engineers will bear him out in this statement. The abandoning of the bank made by the Public Works Department involves a small extra debit which has to be borne in the new estimate which contains several items altogether omitted in the former, such as fencing, telegraphs and storage altogether amounting I think, in the new estimate to \$111,573, and also the cost of doubling the bridges and extending the cuttings. Mr. Bruce's estimate had, as I said, made some provision for station buildings, but the present estimate does not make provision for station buildings but includes platforms and several miles of sidings more than in the original estimate. The estimate of the Director of Public Works for reclamation work remains about what it was. The quantities are practically the same although the reclamation estimated for by the Director of Public Works only extended as far as the storm water drain. It is now being extended to meet Blackhead's wharf, but the extra cost involved by this extension has been made lighter by narrowing the area reclaimed, that is to say, by drawing the line a little nearer to the shore. Both the cost of this reclamation and the seawall which faces it, and also the cost of the alterations of the drains to include the earth work, the small piece of additional seawall from where the original reclamation ceases from Blackhead's wharf, involved an extra cost of \$110,000. That \$110,000 will have to be added to the existing estimate of \$8,458,000. I may say with regard to this bit of seawall that it was not included in the estimate because it was still under discussion whether the line should be drawn direct, involving the construction of a deep seawall costing about \$75,000, or whether we should set back 150 feet, thereby reducing the cost to \$110,000. That cost has now been decided on. There remain several items not included in the other estimates in connection with the terminus, and in order to obtain a deep-sea berth for a large vessel it was

necessary to acquire Marine Lots 218, 81 and 34 from Messrs. Blackheads. Protracted negotiations with the owners eventually resulted in its purchase for \$615,000. The negotiations were in the hands of my hon. friend on the left, the Director of Public Works, and I think we can congratulate him on the very successful issue. The original estimate was for \$42,000. This sum, together with the \$110,000 for the seawall, are the only additions so far decided upon to the existing estimate, and bring it up to \$8,722,052. To that too, must be added the cost of rolling stock not included in the other estimate: that is estimated at \$8,000. Hon. members will, I am sure, believe that I am most anxious to give the fullest possible information on all points, but the interests of the railway and of the Colony compel me to speak with reserve on those matters still under discussion, and which are the subject either of negotiation as regards land resumption, or may be the subject of negotiation as regards a working agreement with China. You are asked in the resolution before the Council to vote a sum of \$400,000 for land resumption, and another \$50,000 towards the building of stations. These matters are now being discussed, and it is as impossible for me to speak as fully and frankly as I should wish to do in the present circumstances, but no decision will be taken without full consultation with the consulting engineers and the concurrence of the Secretary of State. As regards the question of station buildings they are to some extent dependent upon the terms of the working agreement. You were asked in the resolution to vote a sum of \$300,000 for land and \$30,000 as an instalment towards building and equipment for the workshops. I propose to erase these figures from the resolution because I think it is extremely improbable that there will be an undertaking of anything with regard to workshops in the present year. That matter also is largely dependent upon the terms of the agreement. In the whole question of the cost of the railway I shall use my utmost endeavours to insure economy in every detail, but at the same time I am sure I would not be carrying out your wishes if I confined myself to a short sighted policy. I do not think it would be in the interests of the railway, and might very seriously in the future detract from the remunerative capacity of the line. You must remember, gentlemen, that this line will be the terminal section of the main line from Peking to Kowloon, some 170 miles long, and in these matters of station terminus, workshops and facilities for shipping, wharfage, etc. any inability to realise the future of the line might be disastrous for the future interests of this Colony. We arrive then at the following figures: the present cost including the sanctioned estimate \$8,000,000, and including the amount for rolling stock and the amount for seawall amounts to \$9,202,052. It is impossible as I said, to say what a count may be required for station buildings and land, but I think that if we put the total at somewhere in the neighbourhood of \$9,850,000, that should see our total liabilities in respect of the line exclusive of workshops. Out of the sanctioned estimate of \$8,000,052 we have spent a total of \$2,894,682. The papers which have been laid, and which will be supplied will show you in detail the work which has been accomplished, but I think it may be interesting if I briefly run through the work of the past year. In the matter of survey the whole has been completed and there is a permanent saving of \$1,507. In the question of land all resumption outside Kowloon has been finished with the exception of a small piece at Shatin Valley. The estimate for the year shows an increase of \$12,816, and that increase is not necessarily a permanent increase in the whole estimate. Earthwork was \$177,000 under the estimate. The reason for this is that the very difficult piece of survey between Shatin and Taipo of which I spoke just now when the line moved inland instead of running over the seabed delayed the earthwork in that section, and the earthwork has been carried over to the present year. It seemed unnecessary to pay higher rates in order to insure the work being done this year, for in this section there is no

hurry at all, since it will be completed in any case long before the tunnel is completed; therefore we will save any additional rates by carrying it to the present year. The accounts you are asked to vote in 1908 will complete the earthwork with the exception of a big reclamation for the station yard, and two banks in the neighbourhood of Taipo and Shatin. The tunnel exceeded the estimate for last year by \$193,977. The Chief Resident Engineer explains this, firstly, because labour was more costly than had been anticipated, and secondly, a much larger quantity of explosives had been used than was expected. The reason for this is that in the first thousand yards of each face of the tunnel the material has been found to be semi-decomposed granite for which explosives are almost useless, yet it is too hard to be removed by pick and shovel. The further we get into the centre the rock becomes exceedingly hard. This latter fact may not improbably be productive of considerable saving in lining the tunnel. The expenditure on the tunnel in the first year is of course exceedingly large, because there is included in it the whole cost of starting the machinery, and also depositing a considerable quantity of materials at the mouth of the tunnel. In 1907, 2242 feet out of 7156 feet of the heading had been completed, and 465 feet of the lining, which gives an average of the heading of about 43 feet a week. Since that date, 1st January, we have been making very good progress and on the 25th January the figures stood 2591 feet of heading, and 585 feet of lining, and on some occasions up to 100 feet have been done in a week. On the whole the progress in the tunnel was not very satisfactory. The Chief Resident Engineer gives as his reason the unforeseen difficulties which the engineers encountered, over which they had no control, and secondly the delay in supplying machinery from England, some of which did not arrive until over twelve months after order. Bridges show a saving of \$23,230 and culverts of \$22,009. The saving on all these three items are referable to the same cause as that on earthworks, as I explained just now, and is due to the fact that work has been thrown back in consequence of the Taipo survey; and as time in this section was not important the work has been carried over to the present year. Permanent way and plant showed an increase of \$183,009. The reason for this was that it had been intended to use a metre gauge temporary line for removing earthwork off the reclamation, but as the whole of this would have to be scrapped as soon as the reclamation was completed, it was thought better to use the broad gauge line, and consequently the rails and rolling stock purchased for that work will now remain part of the permanent equipment of the line. Salaries, quarters, etc. increased \$53,986. This arose from an increase found necessary in the staff, and also the cost of an outbreak of malaria last summer which caused the doctors to advise that the staff quarters be built on the hills. That outbreak of malaria led to an abortive effort to drain the hillside, which cost \$12,000. That now has been stopped, and in its place a regular issue of quinine has proved more effective. This has increased the medical vote by \$5759. Home charges have increased \$7,500, and stores decreased by \$5000. Typhoon damages is the large sum of \$16,527 and was due to the typhoon of September 1906, and was not in the estimated expenditure of the year; also the sum of \$17,000 approximately is due to the same cause this year, about half of which was due to damages caused by a heavy rain storm in September last year and half to the fire at Taiak-tai. These charges properly come out of the 10 per cent allowed for contingencies, and I have directed the Chief Resident Engineer to debit them to the works concerned. The net result of the expenditure last year only exceeded the estimate by \$18,854. These figures generally refer to the work of 1907, and should you wish to know what conclusion they point to, and what anticipations can be formed of the final accuracy of the estimate, the Chief Resident Engineer is confident that his estimates will not be exceeded. On earthworks there was a saving of \$2500; on the tunnel there was an excess of \$300,000 and on the other tunnels there was

no excess. On the major bridges he hopes for \$50,000 and on the minor \$50,000 below his rates. He hopes to show no excess on general charges, and expects a small excess will be met by savings on other items. The next question you would probably like to have answered is, About what time will the railway be completed. If the average rate of construction hitherto maintained can be kept up the heading will be completed in November 1909, and the line should be completed by May 1910. We do approximately about one-third of the tunnel a year. The heavy cutting and reclamation on this side has been let by contract but not much progress so far has been made, but the standing of the firm of contractors who have taken that contract gives us every hope that they will not fail us as regards the limit of time for completion. Generally speaking I think we are justified in assuming that the work is being economically done, and that we shall complete it in ample time to join the Canton section by the time it is completed. And I believe that the total cost will not exceed £1,000,000 sterling. You must remember that that sum only includes the cost of the private land resumed for the railway, and does not include the cost of the Crown land assigned for railway purposes. In the course of my remarks I have alluded once or twice to the difficulties placed in my way by the fact that the basis of a joint working agreement with the Chinese section has not yet been arrived at. I am anxious to begin negotiations in this matter, but you must remember the survey of the Canton section has only just been completed, and it will probably be a couple of months before the first sod is turned. The Chinese Authorities have several preliminary questions to settle with regard to the administration of the line and local control, and until these questions have been settled we are not in a position to enter into negotiations. I trust it may be so before the end of this year. I have explained now, to the best of my ability, the history of the line and the stage of construction to which we have reached. I have gone fully into the liabilities which we have incurred, and perhaps it may be of interest if I make a few remarks as to the means we intend to employ to meet those liabilities. You will remember that in the Autumn of 1905 the Government raised a loan through the Crown Agents for £1,143,933 at about 3½ per cent in order to pay a loan of £1,100,000 at 4½ per cent to the Viceroy of Wuchang. This was repayable in ten years by yearly instalments of £110,000 with interest, of which we have received two, and the third is due in October next. As they have been received they have been used to finance the railway, but it is obvious from what I have said that the cost of the line will much exceed the amount of these repayments before the completion of the line. We shall consequently have to borrow from the Crown Agents and repay it later from repayments we receive from the Viceroy. We provided in the estimates for the current year a sum of £4670, as interest on this balance which would mean a capital sum of about £120,000 if it were borrowed for a complete year, but as we shall not require to borrow until probably late in the year the interest provided in the estimates will really cover a very much larger sum than that I have named. We are also paying interest on sums advanced to the railway, that is to say £220,000 at £3,13 per cent. The interest paid to that account amounts to £8,030 giving a total of £12,700 provided in the estimates for the current year as our total liability in respect to the interest for railway loans. We shall have spent at the end of the current year, if we do not exceed the estimate contained in the resolution before the Council, the total sum of \$6,834,061. I trust, gentlemen, that I have left no point untouched on which I could usefully give information, but if any further information is required on any point it may be raised when the resolution is referred back to the Finance Committee (applause).

NEW LAW COURT AND POST OFFICE.

Hon. Mr. OSBORNE asked the following question:—Will the Government let whether the contractors for the Law Courts and Post Office are free to push on with the work as they please; or are they instructed to keep within

the limit of expenditure voted in the Estimates?

The DIRECTOR of PUBLIC WORKS replied:—No restraint is placed upon the Contractors for the buildings mentioned with the object of limiting the expenditure on them to the amounts voted in the Estimates. In 1904 supplementary votes were obtained to cover excess expenditure on the Law Courts and Post Office and since that year there have been large unexpended balances annually on the amounts voted for these works.

LAND OCCUPIED BY GOVERNMENT CONTRACTOR.

Hon. Mr. OSBORNE also asked:—Will the Government state (a.) The terms of Sang Lee's tenancy of the ground used as a builder's yard adjoining the statue of His Majesty the King? (b.) Is this yard used in connection with work on public buildings? (c.) Will the Government cause this land to be laid out as a public garden as soon as Sang Lee's occupation of it can be determined?

The DIRECTOR of PUBLIC WORKS replied:

(a) The terms are:—
(i) Payment of rent at the rate of 2 cents per square foot per annum, or \$87.20 per acre, quarterly, in advance.

(ii) Certain stipulations as to matcheds or other structures which might be required by the Contractor.

(iii) Restriction of occupation to watchmen only.

(iv) No portion of the ground to be used for any other purpose than the storage or preparation of material for the Post Office, unless the consent of the Director of Public Works be previously obtained.

(v) No portion of the ground to be sub-let on any account.

(vi) The whole or any portion of the ground to be given up at any time on receipt of three months' notice.

(b) Answered in (iv) of the above.

(c) It is proposed to obtain the sanction of the Secretary of State to lay out as a garden a piece of ground corresponding in area to the garden of the Hongkong Bank opposite to it.

ENFORCING JUDGMENTS OUT OF THE JURISDICTION.

Hon. Mr. POLLOCK asked:—Will the Government lay upon the table all the papers connected with the proposals which have been made with a view to improve the system of enforcing judgments of the Supreme Court of this Colony in China and Macao?

The COLONIAL SECRETARY replied: The correspondence touching as it does relations with two Foreign Governments is for the most part confidential and cannot therefore be published. If, however, the Honourable Member takes a personal interest in the questions referred to he is at liberty to peruse the material portions of the correspondence in the office of the Colonial Secretary.

Hon. Mr. POLLOCK—I don't think the hon. Colonial Secretary's answer quite deals with my question. I understand that certain proposals have been made amongst others by the Chief Justice of this Colony with reference to this question, and I don't see why these proposals should not be laid on the table.

The COLONIAL TREASURER—Really, the Government's answer to the question is "no."

HIS EXCELLENCY—the answer given by the hon. Colonial Secretary I think is a complete answer to the hon. member's question.

Hon. Mr. POLLOCK—I think not, Sir. I don't think a foreign Government's proposal—

The COLONIAL SECRETARY—The hon. member is trespassing beyond the limits. Surely he must understand that no matter from what part it emanates it involves correspondence, and the question, touching as it does the relations with a foreign government, is such that it cannot possibly be made public.

Hon. Mr. POLLOCK—Do I understand that that the Government regards it as confidential?

HIS EXCELLENCY—I cannot allow any further debate on the subject.

Hon. Mr. POLLOCK—I think the hon. Colonial Secretary's answer is not a satisfactory one to my question.

The COLONIAL TREASURER—Then move a resolution.

Hon. POLLOCK—I submit the Colonial Treasurer is not in order to make that observation.

CHINESE EMIGRATION ORDINANCE.

The ATTORNEY-GENERAL—Sir, I rise to move the second reading of the Bill entitled An Ordinance to amend the Chinese Emigration Ordinance, 1889. The Bill is designed to remove certain restrictions at present imposed on bona fide free emigrants, and to safeguard the interests of assisted emigrants as distinguished from individual emigrants. Under the existing law various classes of emigrants are accorded like treatment but it is found in practice that a regulation is required to make effective the control of contract labour and in the case of free passengers that it is unnecessary and vexatious. The main object of this Bill, Sir, is to amend the law relating to free emigrants, and I propose in committee to amend the definition so that contract and labour for hire will not be essential conditions. The Bill is comparatively simple in its form and I beg to move that it be read a second time.

The COLONIAL SECRETARY seconded.

Council then resolved itself into a committee of the whole Council to consider the Bill clause by clause.

Hon. Mr. POLLOCK spoke as to some minor alteration he thought necessary.

The COLONIAL TREASURER—This drafting and wording of sections is not worth troubling the committee of the Council with. It ought to be referred to the Law Committee, and I think the hon. member should have seen that corrected before he came here.

Hon. Mr. POLLOCK—I think the language of the Colonial Treasurer is most impertinent and most unparliamentary.

The COLONIAL TREASURER—It is quite pertinent. This point was raised quite regularly, and I am answering it.

On Council resuming the ATTORNEY-GENERAL reported that the Bill had passed through committee with slight amendments, and it was read a second time.

THE STATUTES ORDINANCE.

The ATTORNEY-GENERAL moved the second reading of the Bill entitled An Ordinance to facilitate the admission in evidence of statutes passed by the Legislatures of British possessions and British protectorates, including Cyprus. In doing so he said—I may say that the Government introduced this Bill on the suggestion of the hon. and learned friend on my left. The object of the Bill is stated in the objects and reasons, and I can add nothing to them. It is to facilitate in the Courts here the admission of proof by the statute law of other British possessions.

The COLONIAL SECRETARY seconded.

Council then went into committee on the Bill, and considered it clause by clause.

On resuming the ATTORNEY-GENERAL reported that it had passed through the committee stages with slight amendment, and it was read a second time.

The ATTORNEY-GENERAL then moved the third reading of the Bill.

The COLONIAL SECRETARY seconded, and the Bill was read a third time, passed and became law.

FIRE INSURANCE COMPANIES ORDINANCE.

The ATTORNEY-GENERAL—Sir, I rise to move the second reading of the Bill entitled An Ordinance to authorise the removal of Fire Insurance Companies from the Register of Companies in certain cases. The object of the Bill, Sir, as stated in the objects and reasons, is to give the Governor-in-Council power to strike off the register of Companies any fire insurance company proved to his satisfaction to be so unsound as to be virtually fraudulent. The matter has received the consideration of the Government, and also the Chamber of Commerce, who are agreeable to the proposal.

The COLONIAL SECRETARY seconded.

Council then went into committee on the Bill and considered it clause by clause.

Hon. Mr. OSBORNE—Am I in order if I ask why life insurance companies have been taken out of this Bill. They were in when the Ordinance was drafted.

HIS EXCELLENCY—They are included in a different bill.

Hon. Mr. OSBORNE—Originally the Ordinance included fire and life insurance companies.

The COLONIAL SECRETARY—I think the

hon. member is thinking of fire and marine.
The COLONIAL TREASURER—The word marine was dropped before the first reading.

On Council resuming the ATTORNEY-GENERAL reported that the Bill had passed through committee with minor alterations, and it was read a second time.

The ATTORNEY-GENERAL then moved the third reading of the Bill.

The COLONIAL SECRETARY seconded, and the Bill was read a third time, and passed.

HIS EXCELLENCY—Council will now adjourn until Thursday week.

FINANCE COMMITTEE.

A meeting of the Finance Committee was then held, the COLONIAL SECRETARY presiding. The following votes were passed:—

PUBLIC WORKS EXTRAORDINARY.

The Governor recommended the Council to re-vote a sum of seven thousand one hundred and sixty-one dollars (\$7,161) in aid of the vote, Public Works Extraordinary, for the following items:—

Hot Water Apparatus and Baths, Government House	\$40
Queen's College Latrines and Urinals	810
Resuming and filling in Fish Pond at Tai Po	5,900
Time Ball Tower on Blackhead's Hill, Kowloon	45

Total, ... 7,161

The Governor recommended the Council to vote a sum of Nine thousand three hundred and thirty-four Dollars (\$9,334) in aid of the vote, Public Works Extraordinary, Refund of part of Premium for the Pier opposite M. L. 198.

EDUCATION.

The Governor recommended the Council to vote a sum of Seven hundred and twenty Dollars (\$720) in aid of the vote, Education, Victoria British School, Personal Emoluments, Head Master, House Allowance.

HONGKONG SANITARY BOARD

A meeting of the Sanitary Board was held on February 4th at the Board Room. The Hon. Dr. J. M. Atkinson (president) presided, and there were also present Hon. Mr. W. Chatham (Vice-President), Dr. F. Clark, (Medical Officer of Health), Dr. H. Macfarlane (Assistant Medical Officer of Health), Hon. Mr. A. W. Brewin (Registrar-General), Captain Lyons, (Captain Superintendent of Police), Colonel Martin, R.A.M.C., Hon. Mr. E. A. Hewett, Mr. A. Shelton Hooper, Mr. H. Humphreys and Mr. G. A. Woodcock, secretary.

WATER TANKS.

The report of the committee appointed to consider the tank question was as follows:—We consider it advisable that every facility should be afforded to occupiers who wish to have tanks or cisterns on their premises

(1) To enable them to store sufficient water in the dry season to thoroughly cleanse their premises which the intermittent system, particularly on the rider main districts, does not admit of.

(2) And to enable them to readily obtain water in case of fire which, if taken in the incipient stage, may prevent wholesale destruction of house property, and possibly life.

(b) It should be optional for the owner to build the tank of brick and cement to the satisfaction of the Building Authority, as iron corrodes, and if it is built in a yard, and thereby contravenes section 175 of the Public Health and Buildings Ordinance, it should be lawful for the Board to grant exemption.

(c) This is governed by the first mentioned regulation.

(d) Each cistern or tank should be cleaned quarterly—limewashing not required.

This report was agreed to by Messrs. SHELTON HOOPER and LAU CHU-PAK, but the PRESIDENT, who was also a member of the committee, wished to add the following proviso—"I think for domestic purposes iron tanks are preferable."

The REGISTRAR-GENERAL minuted—The size of tanks should be limited in order to prevent one flat storing water at the expense of another during the intermittent season, and ground floors depriving the upper floors of a fair share of water.

The SECRETARY stated that there was a regulation which said the capacity must not exceed 100 gallons for domestic supply.

The PRESIDENT moved that the report be adopted and forwarded to the Government.

Mr. HOOPER—There is a minority report as well. There is a rider by yourself with which we did not agree. I believe the whole thing should go to the Government.

The PRESIDENT—I will move that the report be forwarded to the Government.

The REGISTRAR-GENERAL—Are we going to express an opinion on it?

The PRESIDENT—That is for members to say.

The REGISTRAR-GENERAL—I think we ought to say whether we are in favour of it or not. The Government is not asking for the opinion of the committee, but for the opinion of the Board itself. Someone ought to move the adoption of the report.

Mr. HOOPER—I am quite prepared to move the adoption of the report, but I thought it might come better from another member of the Board who was not on the committee.

The REGISTRAR-GENERAL—You are not in favour of the proviso?

Mr. HOOPER—No.

CAPTAIN LYONS seconded the motion, which was agreed to.

THE TUNG-WAH HOSPITAL.

Mr. E. M. Hazeland, architect, wrote to the Board as follows:—With reference to your notice of the 23rd ult. calling upon the Tung Wah Hospital to open out on each storey one half of the entire space intervening between the principal room and the main back wall I have the honour to submit a tracing showing these premises, and beg to point out that the upper floors are provided with the required open space at the rear, and as the ground floor is used as a shop I trust that exemption from opening up the kitchen may be granted in this case.

THE MEDICAL OFFICER OF HEALTH—The place is fairly well lit, and there is a scavenging lane in the rear of the first floor. I recommend exemption on condition that no cooking is done on the ground floor, which is a basement, and that the drain is removed from the basement, as its presence there is a menace to health, and moreover contrary to the provisions of No. 19 of the Drainage Byelaws.

THE REGISTRAR-GENERAL—What is the objection to allowing cooking?

The PRESIDENT moved that exemption be granted on the condition suggested by the Medical Officer of Health.

Hon. Mr. HEWETT seconded, and the motion was agreed to.

A TECHNICAL CONTRAVENTION.

MESSRS. LEIGH and ORANGE wrote enclosing a tracing for the erection of a bridge over the lane between King's Building and York Building, and applied for a modification of the requirements of section 175 of the Public Health and Buildings Ordinance to enable them to erect it.

The DIRECTOR OF PUBLIC WORKS wrote stating that he saw no objection to this proposal. It was, however, a technical contravention of section 175 of Ordinance 1 of 1903, therefore he wished it submitted to the Board for their consideration.

The application was granted on the motion of the VICE-PRESIDENT seconded by the PRESIDENT.

CHINESE CHRISTIAN CEMETERY.

The SECRETARY wrote—In January 1905 the hill immediately to the east of Kowloon Tong village, and a little to the north of the bearing line, was selected by a committee as a most suitable site for a Colonial Cemetery in Kowloon. This site was recommended by the Board in March 1905. In reply the Board was informed that "It is a little premature to earmark so big an area at Kowloon at the present time." In August 1906 the Board requested the Government to reconsider its decision in connection with this matter. In reply the Board was informed that it was not possible to make provision in the 1907 estimates for the heavy expenditure which would be involved in the formation of a cemetery at Kowloon to correspond to the one at Happy Valley, and that the necessity for such a cemetery was not being overlooked in the plans for the laying out of Kowloon.

The REGISTRAR-GENERAL—I think the question of opening cemeteries on the Kowloon side of the harbour for Europeans and for

Chinese Christians might be reconsidered by the Board now.

Mr. HOOPER—I agree with the Registrar-General.

The DIRECTOR OF PUBLIC WORKS—A cemetery for Christian Chinese has been arranged for.

The VICE-PRESIDENT—The cemetery referred to for Christian Chinese is in close proximity to Kowloon Tong village.

The REGISTRAR-GENERAL—The application originally made was on behalf of Europeans. I think we ought to invite the attention of the Government to it again. There is no reason why we should lay out a site like the Happy Valley site.

Hon. Mr. HEWETT—I think myself we should mark out a big site, because there will be a bigger population over there than here in 20 years' time.

The REGISTRAR-GENERAL—I move that the attention of the Government be invited to the necessity of providing a suitable area to meet all possible requirements at Kowloon.

Hon. Mr. HEWETT seconded, and the motion was carried.

SLAUGHTER HOUSE FEES.

Correspondence was submitted relative to the fees to be charged for the slaughtering of animals in the villages of Shauiwan, Kung Ngam, Tsat Tsai Mui, Shek O and Hok Tsui.

The REGISTRAR-GENERAL minuted—Are Tsat Tsai Mui, Shek O and Hok Tsui included? A Hok Tsui and Shek O man can hardly be expected to take his pig to Shauiwan to be slaughtered.

The SECRETARY—The contract is for the sole privilege of slaughtering animals within any part of the Colony other than the city of Victoria, and other than those portions in the New Territories which are not included in New Kowloon. The contractor, under No. 2 of the Slaughterhouse Byelaws is entitled to charge a fee of 20 cents for cattle, swine, sheep and goats weighing under a picul, and 40 cents for animals weighing more than a picul. Under section 62 all cattle, swine, sheep and goats must be slaughtered and dressed within a slaughterhouse appointed for that purpose under the Public Health and Building Ordinance, 1903. The contract is a yearly one.

The REGISTRAR-GENERAL—I should like this to go before the Board. Unless the number of slaughterhouses is increased, the contract will have to be altered next year. This is another instance of this order drafted to meet the circumstances of the city, being applied to country districts and proving quite unsuitable. If section 62 is to be rigorously applied, section 58, "the provision of a sufficient number of fit and proper slaughter houses," must be carried out.

The SECRETARY informed the Board that similar terms had been in force for a number of years, and the contractor had never before insisted on these payments. He understood that the contractor did not want the people to go to the slaughter houses, but to pay a fee. Strictly speaking, according to the terms of his contract he was entitled to such fee.

The REGISTRAR-GENERAL—Can we make him provide slaughter houses in these villages?

The MEDICAL OFFICER OF HEALTH—There are appointed slaughter houses.

The REGISTRAR-GENERAL—We should tell him to start slaughter houses in each of these villages.

Hon. Mr. HEWETT—He is not suffering any hardship by not getting these fees?

The SECRETARY—No.

Hon. Mr. HEWETT—He signed the contract with his eyes open?

The SECRETARY—Yes, and I rather think he did it with the object of raising this question as soon as the contract was signed.

The REGISTRAR-GENERAL—We should just leave the matter as it is.

The PRESIDENT—It's a case of spite I think.

Hon. Mr. HEWETT—It's a squeeze.

The contractor's application was laid on the table.

MORTALITY STATISTICS.

Based on a death rate per 1,000 per annum, the mortality statistics for the whole Colony during the week ended 11th January was 21.6, while for the week ended 18th January it was 17.5, as against 18.3 for the corresponding week last year.

ROYAL SANITARY INSTITUTE.

HONGKONG BRANCH PRIZE PRESENTATION.

His Excellency the Governor, who was accompanied by Lady Lugard, presided at the annual distribution of prizes of the Hongkong branch of the Royal Sanitary Institute held in the City Hall on February 5th. There were seated with their Excellencies at a table at the head of St. Andrew's Hall Hon. Dr. J. M. Atkinson, president of the Hongkong Branch, Mr. Ralphs, secretary, Hon. Mr. W. Chatham, Dr. F. Clark, Mr. T. Perkins, Mr. A. H. Ough and Mr. A. J. Brackenbury. The body of the hall was also well filled when Dr. ATKINSON opened the proceedings. He said:

Your Excellency, Gentleman.—As Chairman of the Board of Examiners I thought it would prove of interest to review the work accomplished by the local branch of the Royal Sanitary Institute since its formation five years ago. The first lecture in connection with this movement was given at Queen's College on the 13th January 1903. Since then a regular winter course has been held; up to the end of January 209 lectures have been delivered, the attendance at which numbered 3441, giving an average of 16.46 per lecture. In addition to the lectures many practical demonstrations have been given at the Cattle Depot and Slaughter Houses Kennedy Town by Mr. Gibson and at the Disinfecting Station by Drs. Clark and Pearse. Visits have also been paid to the New Kowloon Waterworks, the Tylam Waterworks, Green Island Cement Works, Aberdeen Brick and Tile Works, Electric Power Station Wanchai, Pokfulam Dairy Farm and to new buildings in course of construction etc. Lectures on Engineering and practical subjects have been delivered by the following gentlemen:—Messrs. Ough, Gibbs, Perkins, Jackman, Lemm, Wright, Jaffe, Biden and Bryan. On medical subjects by:—Drs. Atkinson, Clark, Hunter, Pearse, Thomson, Barnett Moore, and Sanders; also by Lieuts. Craig and Ryley of the Royal Army Medical Corps. The following gentlemen have lectured on Food Inspection:—Captains Fitzwilliams & Shinkwin, Mr. Gibson, Colonial Veterinary Surgeon, and Dr. Clark. Messrs. Rees, Darby and Grey of the P.W.D. have lectured on surveying. The practical sanitary science examination is for those who have no intention of becoming sanitary officers yet desire to obtain from the Institute a certificate indicating their knowledge of Sanitary Science. The Council have arranged a Syllabus which although not including many technical subjects that an Inspector is required to know, is of a higher standard than the Inspectors Examination as far as relates to practical Sanitation. The following candidates have passed since the formation of the local branch:—P. L. Cunningham, Naval Yard Extension Works, R. E. Hemmings (Messrs. Leigh and Orange), J. Lemm, Architect, A. P. Samy, Architect, J. W. White, Surveyor War Department, A. R. F. Raven, Architect, H. E. Goldsmith, Public Works Department, P. T. Lambie, Sanitary Department, A. N. Parker, Public Works Department, H. J. Gidley late of Sanitary Department. Number of Examinations held 5; total number of candidates 21; total number successful 10; percentage of passes 47.61.

Sanitary Inspectors Examination. With reference to this Examination a practical as well as a theoretical knowledge with the subjects set out in the Syllabus is required and the Local Government Board London, accept this certificate as evidence that the person possessing it is qualified for the office of Inspector of Nuisances in any urban or rural district outside London; it is also recognised by the Local Government Board Edinburgh and the similar institution in Dublin. The following officers of the Sanitary Department have passed the Examination for Inspector of Nuisances since the formation of the branch. J. Reidie, W. H. Woolley, G. W. Coysh, O. W. Ward, R. Duncan, C. E. Frith, D. J. McKenzie, D. J. O'Halloran, B. G. McEwen, H. Coombs, J. C. W. Brett, T. Hynes, J. Mackay (since transferred to P. W. D.); G. Willis, (since transferred to Police Dept.); H. J. Gidley, S. M. Gidley, (who have left the Colony). The following officers of the Public Works Department have passed this Examination:—Messrs

J. T. Longstaff and S. R. Boyd. The following officers of the R. A. M. C. have also been successful:—Sergeant Major Hutton. Sergeants Williams and Jones. I may also state that several candidates from the Army are attending the present course of lectures. The following candidates in private employ have passed the Examination:—Messrs. R. Bennett, Naval Yard Extension Works; G. Morphew, Messrs. Butterfield and Swire; C. Killington, Naval Yard; J. B. Winter, Hongkong Gas Company. In all there have been 39 candidates, 26 of whom were successful, a percentage of 66.6 passes. The number of candidates examined by the Royal Sanitary Institute at London in 1906, is 992; number of passed, 491. 1907 returns are not to hand. The following officers of the Sanitary Department passed the Examination for Inspector of Nuisances during leave of absence in England:—Messrs. L. F. Brett, F. Fisher, E. Allen and H. J. Knight; so that out of a staff of 30 European Inspectors 19 now hold these diplomas. The Government in order to encourage the Inspectors obtaining these certificates refund the fees of the successful candidates, and next to a knowledge of Chinese Colloquial, in considering the question of promotion from one class to another, priority is given to those who possess the certificate. The local branch is now established in a suitable room at 7 Beaconsfield Arcade, where members can study. It is here that the lectures are given and we have the nucleus of a library there. Another important fact is that it is now self-supporting. Generally speaking the work of the Institute has been well supported and the local branch has done good work judging by the fact that 36 certificates have been gained since the starting of the movement. Mr. Carter is still the life and soul of the branch, he has all along had the interests of the branch at heart and has done all in his power to foster it. Our thanks are due especially to him and also to our Local Secretary, Mr. Ralphs. A new departure has recently been made whereby lectures on special subjects shall be delivered at the room of the Institute by competent lecturers. These are open to any one to attend, e.g., a course of six lectures on "Stresses and strains in framed steel structures" is to be given by Mr. J. C. Joughin, Assistant Naval Constructor, H. M. Naval Yard, commencing on Friday next at 9.15 p.m. We have all lately been dreaming dreams and when the Hongkong University is established we may hope to see this Institute as well as the local College of Medicine for the Chinese affiliated to it. I would now ask Your Excellency to present the certificates. There are twelve in all, seven were obtained at the May Examination last year and five at the October Examination:—Sanitary Science Examination: Mr. Albert Victor Parker, Public Works Department. Inspectors of Nuisances Examination:—Messrs. Joseph Albert Bullen, Harry Counts, Thomas Hynes, Robert Gardiner McEwen, Charles Walter Thornton Brett (Sanitary Dept.), John Mackay and Samuel Robert Boyd (P.W.D.), George Willis, (Police Force) Sergeant Major Hutton and Sergeants Walter Henry Jones, Harry Williams (R.A.M.C.)

At the request of Dr. Atkinson the Governor then presented the prizes.

HIS EXCELLENCY, at the conclusion of the presentation, said—Ladies and gentlemen, It is some years now since certificates which have been won by students of the Hongkong Branch of the Royal Sanitary Institute have been distributed publicly. The last occasion was, I think, in 1904, and on that occasion my predecessor made a long speech in which he told you generally of the objects of the institution and the work which had been done. It was instituted in 1903 on the suggestion of Mr. Carter, and it took shape owing to the energy and organising ability of its president, Dr. Atkinson, and of various other members of the Body of Examiners, many of whom are still on the Board. I think gentlemen, that the value of an institution like this, affiliated to a great institution in England is immense. The certificates can be obtained here, and are recognised throughout the British Empire, and they can be obtained without the expense of a voyage home and without the cost of tuition in England. They can be obtained in their leisure hours of the evening by the

men who are still doing their work and earning their salaries. These are very great advantages. The Hongkong Branch, too, has led the way in adopting that great principle of affiliation with institutions in England, which I think is of immense advantage to the Colonies, and of which I should like myself to see the Colonies take much more advantage. It is the principle which underlies the Oxford Local Examinations which we have in our schools here; it is the principle upon which the Hongkong College of Medicine intends to frame its future; and it is, as Dr. Atkinson said, the principle which I hope will find still further expression in the Hongkong University of the future (applause). The Sanitary Department of the Government absorbs a great deal of the revenue of the Colony, and consequently has a very considerable staff, and there are architects, builders and others in the Colony who also require certificated engineers, and the number of these appointments offers inducements to candidates to come and learn, and obtain certificates at this branch of the Royal Sanitary Institute. I think therefore that the governing body of the Board of Examiners of the Hongkong Branch may feel that they are rendering a great public benefit to the Colony, and I think that our thanks are most heartily due to the body of gentlemen who give their time and thought gratuitously, without any remuneration, to conducting these lectures day by day on these difficult subjects (applause). When I look, as I did just now, at this syllabus of lectures, the different themes of the lecturers appear to me to be so practical and so sound that I honestly wish I had the time myself to be admitted and to come and learn some of these things and endeavour to obtain a certificate (applause). I will not speak to you, gentlemen, now, on the necessity of encouraging sanitation in Hongkong; I will not give you a discourse on the lessons to be learned from the great outbreak of plague or of the great value of having an object lesson here in Hongkong for China. All these are great subjects, but they have grown somewhat hackneyed and you have heard them discussed by speakers who have more fluency than I have. I will only refer briefly to the labours of the Sanitary Commission who have spent their private time and laid this Colony under a great debt of gratitude to them. You have heard, no doubt, a great deal of discussion on their report, and I can tell you you are likely to hear a good deal more within the next week or two. There is only one point which I will allude to before I sit down, and it is that I will say to these gentlemen I have just had the honour and pleasure of presenting with these certificates, that in their greater wealth of sanitary knowledge they should not lose sight of the saving grace of common sense (applause). I think that sensible toleration is the most valuable sense a man can have; our ideals are good, but not always easy to realise. By the exercise of common sense tact, a little give and take, men may often achieve results that are more valuable than all the rules of the text books. You may obtain these results without wounding the prejudices of others. It is your business here to endeavour to impress upon the Chinese community the value of sanitation, and to try to get them to work with us, and not to work against us. We wish to make the Chinese gentlemen of intelligence and standing co-operate with us in our work of sanitation. We wish to get them to show us the right way to put a stop, for instance, to the abandoning of bodies in our public streets. I had, a day or two ago, a return made of the number of bodies abandoned within the 13 preceding days. The number was 38, and out of that just about one half had died of infectious diseases. That, gentlemen, is a standing reproach to this Colony, and I am convinced we shall never succeed in putting a stop to it until we get the co-operation of the Chinese, and get them to show us how we can stop this thing without wounding their prejudices and violating the sanctity of domestic life. That is why I say to you that I hope those who have gained all the technical knowledge which is represented by these certificates will bear in mind that a very great deal can be done by

tact, common sense, and a little give and take in their dealings with those on whom they have to impress the primary laws of sanitation.

A vote of thanks to His Excellency proposed by Mr. PERKINS, seconded by Mr. OUGH, and carried in the usual way, ended the proceedings.

SUPREME COURT.

Friday, January 31st.

IN ORIGINAL JURISDICTION.

BEFORE HIS HONOUR SIR FRANCIS PIGGOTT
(CHIEF JUSTICE).

THE AMOY CASE. WITNESSES COMMITTED FOR TRIAL FOR PERJURY.

His Lordship delivered his judgment in the case in which the Ng Yuen Yung firm brought action against the Lap Kee firm to recover the sum of \$5,000, the amount paid to the defendants by mistake in respect of the bill of exchange.

Mr. M. W. Slade, instructed by Mr. G. K. Hall Brutton (of Messrs. Brutton and Hett) appeared for the plaintiffs, and Hon. Mr. H. E. Pollock, K.C., instructed by Mr. Daniels (of Messrs. Johnson, Stokes and Master) for the defendants.

His Lordship, after tracing the evidence at length, said the evidence which had been prepared in Amoy for the defendants was consistent only with one of two things: either the three men, Tai Hing, Fung Yuen and Tin Hing were together guilty of concocting this fraud, or they all, and the Wing Fung, conspired together to defraud the plaintiff. He was afraid that the men from Amoy neglected the sage advice of worthy Wong Pun-lap that "British law attaches great importance to true evidence. There would be judgment for the plaintiff with costs. But Wong Pun-lap's advice was disregarded, and his reflection as to the consequences of giving false evidence in a British Court would come to pass. Under the provisions of section 31 of Ordinance 3 of 1873 his Lordship ordered all the Amoy witnesses to be arrested to stand their trial at the Assizes for perjury. His reasons for taking this course were as follows:—He had pointed out that there had been in the case as clear a conspiracy as could well be imagined; that this took place in Amoy out of the jurisdiction. If there had been a conspiracy there had also been perjury at this end. Under section 131 he had power of summary sentence, but as the interpretation which he put upon those powers had been challenged in another case, it would not be decorous for him to exercise them in that way. He thought he ought not to exercise them till the Privy Council had given its decision. This was a case in which three months' imprisonment would be far too short a sentence if he was right in what he believed to be the facts, but there had been no jury and it would be fairer for this question to be decided by a jury instead of by one man. In view of the importance of the action he was taking he would say, though he didn't think it needful to say it, that he had not acted without due deliberation. As it was possible his inference from the facts were erroneous, he had consulted Mr. Justice Wise and the Attorney-General, treating them as a grand jury, and they agreed with his view. The direction he had the power to give under the Ordinance did not, of course, deprive the Attorney-General of his right to discontinue proceedings against any one of the men should he think it right to do so. That was the second time he had taken this extreme measure at the end of a trial. He was conscious of the importance of the power which the law of the Colony had entrusted to him, and it was because he realised how great those powers were that he exercised them in order to prevent the Court of Hongkong being made a playground for Chinese witnesses to indulge in a rivalry of hard swearing.

ALLEGED CONTEMPT OF COURT.

Mr. M. W. Slade, instructed by Mr. F. X. d'Almada e Castro (of Messrs. Almada and Smith) made application to His Lordship that Kwan Koon-sue, otherwise Kwan Tao-shun, of No. 51, Bonham Street West; Fueng Heung-

cheun, of No. 53, Des Vaux Road Central; Chan Lok-cheun, of No. 124, Wing Lok Street, and Shum Pak-ming, of No. 61, Bonham Strand, be committed to prison on the ground that in breach of the prohibitory order made in an action on December 4, 1907, between neu Ching-tang, trading as the Tai Tak Tung bank, and the Wing Shan firm, they did sell the goods mentioned in the prohibitory order, and appropriated the proceeds of the sale and disobeyed the order of the Court. Hon. Mr. H. E. Pollock, K.C., instructed by Mr. H. W. Looker, (of Messrs. Deacon, F. B. L. Looker and Deacon) appeared for the first three respondents; and Sir Henry Berkeley, K.C., instructed by Mr. Bowley, (of Messrs. Denny and Bowley) appeared for Shum Pak-ming.

Mr. Slade said Sir Henry's client had denied partnership, and the motion against him could not continue.

The motion as to Shum Pak-ming was accordingly discharged, and argument as to costs was deferred.

The case for the plaintiff was that 20,000 piculs of peas and beans, and 6,000 piculs of peanut oil, that had been attached by a prohibitory order, had been sold.

Mr. Pollock argued that no person could be committed for disobedience unless there was proof of personal service, and the further hearing was adjourned.

Tuesday, February 4th.

IN SUMMARY JURISDICTION.

BEFORE HIS HONOUR MR. A. G. WISE
(PUISNE JUDGE).

AN INCONSOLABLE DEBTOR.

Action was brought by Lai Chan-po to recover from Lai Wai kim the sum of \$920.75 due for goods sold and delivered, and for money paid and advanced. Mr. P. Sydenham Dixon (of Mr. R. A. Harding's office) appeared for the plaintiff. The defendant appeared in custody, wept considerably, and was not represented by counsel.

Defendant admitted to his Lordship that he owed the money, but said he had no means to pay it.

His Lordship—There is no necessity to cry about it. Since you got the goods without the money to pay, you have got to suffer.

Defendant—My uncle promised to send the money to me, but he has not done so.

His Lordship—Judgment and costs for plaintiff.

Wednesday, February 5th.

IN SUMMARY JURISDICTION.

BEFORE HIS HONOUR MR. A. G. WISE
(PUISNE JUDGE).

HUNGHOM LITIGANTS.

The case was called on in which the Yee Yik firm sought to recover from the Tin Hung Engineering Co. Ltd. the sum of \$228.50 for work done in repairing and repainting buildings belonging to the defendant at Hunghom.

Mr. E. J. Grist (of Messrs. Wilkinson and Grist) appeared for the defendant, and Mr. O. D. Thomson for the plaintiff.

Mr. Thomson applied for an adjournment as his clients had not yet returned from their celebrations.

His Lordship—Wasn't this a case in which some sort of reference was made to an architect?

Mr. Thomson—That is so, and the architect has made his report.

His Lordship—Is it a question of the man having done more work than he ought to have done?

Mr. Thomson—According to the agreement he should have done more work than he did.

His Lordship put the case into Friday's list and asked—What about the next two cases?

Mr. Thomson—I would ask your Lordship to allow them to be adjourned too?

Mr. Grist—I don't think my clients are willing to have the cases adjourned. The plaintiff were convicted at the Magistracy.

Mr. Thomson—That is what I want to find out. They say they were not. If they were I shall probably have to withdraw the case.

His Lordship—Why didn't you see to that yesterday?

Mr. Thomson—I did not know until to day.

Mr. Grist—Both were prosecuted. The one for disorderly conduct was bound over and dismissed, while the other one was convicted of having wrongfully left the employment of his master, and bound over. I don't see how he can sue.

Mr. Thomson—I want to see the records; the story my client told me is quite different from this.

The cases were adjourned.

Thursday, February 6th.

IN SUMMARY JURISDICTION.

BEFORE HIS HONOUR MR. JUSTICE WISE
(PUISNE JUDGE).

AN UNPROFITABLE PARTNERSHIP.

W. H. Manners sued F. H. Cornell to recover the sum of \$217.50 for money due. Mr. P. W. Goldring (of Messrs. Goldring, Barlow and Morrell) appeared for the defendant, and informed the Court that Mr. Lowe had been into the books and found in respect of the partnership transactions between the plaintiff and the defendant that there was a balance due from the plaintiff to the defendant instead of the other way about.

Plaintiff stated that he received a sum of \$200 from a man named Mathews, which he handed over the F. H. Cornell. Mathews was repaid by plaintiff who had his receipt. Witness was not present when Mr. Lowe went into the accounts.

His Lordship—The defendant said he used this money up in the business.

Plaintiff—Hardly, and when the things were sold I did not receive any of the money.

Examined by Mr. Goldring plaintiff said he did not pay over only \$150 out of the \$200. Their business was not very successful.

Defendant was then called and stated that in May 1906 he entered into partnership relations with the plaintiff. They started business as electricians and electroplaters, witness contributing roughly about \$320 of the capital and plaintiff \$500. The understanding was that Mr. Manners was to have a one-third share in the business which, however, was not a success, and all the capital was lost. To a certain Chinese firm in Wanchai from whom they got material Mr. Manners paid \$150 on account of his part of the capital. Defendant sent plaintiff a statement of accounts at the end of December 1906, which showed that Mr. Manners was indebted to him, but knowing at the time that he had no money witness did not press the matter.

Questioned by Mr. Manners, defendant admitted that he had said the capital was lost.

And yet you sold the business for actual cash to Wilks and Jack?—I sold a certain plant.

For how much?—\$900.

And you went to work for Wilks and Jack?—Yes.

And you have been working for them ever since?—I have.

The plant which you sold for \$900 I believe cost us \$300?—Somewhere about that.

Have I seen these books and vouchers?—All the vouchers you have seen not once, but several times.

While these accounts were being made up was I present?—Neither was I.

So that I've had no say in the matter. Now when you sold the business to Wilks and Jacks did you receive any sanction from me?—It was sold with your knowledge.

Defendant here informed the Court that on September 1st Mr. Manners went to Macao. On that date there was no money in the business, and they could not get any work to do. They then owed three months rent and defendant wrote and told plaintiff how things were going on. Plaintiff wrote a letter in reply (produced) in which he said, "Don't tell if you can possibly help it." At the end of September they were three months in debt for rent, owed the Gas Company for three months, and owed \$100 for wages, so that he had to accept the best offer he could get.

Plaintiff proceeded to cross-examine:

Have all the debts we owed been settled?—Since the end of September I have paid off what I could.

His Lordship—What did you do with the \$900?—Used that for paying debts.

Plaintiff—You've got here an amount due to the compradore; has that been paid?—When we closed the business we owed him \$196.40 since I have paid him \$150 in settlement.

All these accounts are paid?—All with the exception of \$68 still owing.

Mr. A. R. Lowe, chartered accountant, stated that from the books he found the balance due was the other way about, there being about \$890 due from the plaintiff to the defendant.

At the request of the plaintiff Mr. Lowe then briefly explained the accounts and showed how the amount due by the plaintiff was arrived at.

Plaintiff—I don't altogether agree with that way of book-keeping, but he is a chartered accountant.

His Lordship—I will tell you you cannot possibly succeed in this action, you should have brought a partnership action.

Plaintiff—I claim it was not a partnership.

His Lordship—But it is, and if you have any sense at all you won't go on with a partnership case for the accounts are dead against you.

Plaintiff—The account read-red to me I am showing is not correct.

His Lordship—You have not shown it yet.

Plaintiff—I am showing that \$120 has not been paid.

His Lordship—Surely you don't say it is incorrect when the defendant gets \$60 knocked off in your favour?

Plaintiff—The original agreement between us was that he was to pay in the capital, and I was to get a one-third share.

His Lordship—That agreement was not carried out. You paid in \$500 by your own showing. I shall not trouble any further. Judgment and costs for defendant. I don't think I would go on with the next case if I were you.

HONGKONG AND SHANGHAI BANKING CORPORATION.

The eighty-fifth report of the Court of Directors to the ordinary half-yearly general meeting of Shareholders to be held at the City Hall, Hongkong, on Saturday, February, 15th reads as follows:—

To the Proprietors of the Hongkong and Shanghai Banking Corporation.

Gentlemen,—The Directors have now to submit to you a general statement of the affairs of the Bank, and Balance Sheet for the half-year ending 31st December, 1907.

The net profits for that period, including \$1,797,167.54, balance brought forward from last account, after paying all charges, deducting interest paid and due, and making provision for bad and doubtful accounts, amount to \$4,942,974.06.

The Directors recommend the transfer of \$500,000 from the Profit and Loss Account to credit of the Silver Reserve Fund, which Fund with the addition from the premium on the new shares, will then stand at \$13,500,000.

After making this transfer and deducting remuneration to Directors there remains for appropriation \$4,427,974.06, out of which the Directors recommend the payment of a dividend of two pounds sterling per share on the old shares, and a proportionate dividend, or one pound and ten shillings sterling per share on the new shares, viz.: 1220,000—which at 1½% the rate of the day, will absorb \$2,427,586.21.

The balance \$2,000,387.85 to be carried to new profit and loss account.

CAPITAL.

The shares of the new issue have all been allotted and paid for in full: the capital now stands at \$15,000,000, and from the premium on the new shares the sterling reserve fund has been increased by £50,000 and the Silver Reserve Fund by \$1,250,000.

DIRECTORS.

The Honourable Mr. H. Keswick has been elected Chairman for the year 1908, and Mr. E. Goetz, Deputy Chairman.

Mr. A. Haupt, having resigned his seat on leaving the Colony, Mr. G. Friesland has been invited to fill the vacancy; the appointment requires confirmation at this meeting.

Mr. G. H. Medhurst, Mr. C. H. Leuzmann and Mr. H. E. Tomkins retire in rotation, but being eligible for re-election, offer themselves accordingly.

AUDITORS.

The accounts have been audited by Mr. W. Hutton Potts and Mr. A. G. Woolf, who offer themselves for re-election.

G. H. MEDHURST,
Chairman

Hongkong, 8th February, 1908.

STATEMENT OF ASSETS AND LIABILITIES 31st December, 1907.

LIABILITIES.		\$
Paid-up capital	15,000,000.00	15,000,000.00
Sterling reserve fund, £1,500,000 at ex 2	15,000,000.00	15,000,000.00
Silver reserve fund	1,250,000.00	1,250,000.00
Marine insurance account	200,000.00	200,000.00
Notes in circulation		
Authorized as against securities and deposits with the bank	\$ 0.	
Agents for the colonies and their trustees	15,000,000.00	
A balance sheet authorized by Hongkong Ordinances against companies registered with the Hongkong Government	7,111,117.00	
		17,111,117.00

Current accounts:	
Silver	\$7,411,285.55
Gold £10,000,000 at ex 2	17,000,000.00
	24,411,285.55

Fixed deposits:	
Silver	\$5,667,041.80
Gold £1,000,000 at ex 2	10,000,000.00
	15,667,041.80

Bills payable, including drafts on London, Hongkong, Shanghai, and other places, and on other agents, and on other banks	11,177,781.12
Profit and loss account	1,302,674.06
Liability on bills of exchange received, amounting to £7,122,112.00, of which £1,022,112.00 have since been paid off	2,200,000.00
	\$20,147,496.98

ASSETS.		\$
Cash	\$4,155,887.37	
Committed with the Hongkong Government, against advances and other transactions	1,000,000.00	
Billionaire fund, held in trust	1,111,117.00	
Loan to Government at Hongkong	2,000,000.00	
Consols, Government and other securities	6,499,912.25	
Sterling reserve fund, investment, viz. £1,500,000, at ex 2	15,000,000.00	
of which £1,250,000, invested with the Bank of England as a Special London Reserve		
£155,000 1 percent National War Loan at 4%	220,000.00	
£125,000 other Sterling Securities written down to 100%	125,000.00	
	1,000,000.00	
	24,411,285.55	

Bills discount, 1 month and over 15%	1,111,117.00
Bills discount, 1 month and under 15%	1,111,117.00
Bank premiums	1,111,117.00
	\$20,147,496.98

GENERAL PROFIT AND LOSS ACCOUNT.		\$
Dr.		
To amount written off		
Remuneration to Directors	\$ 5,000.00	
To dividend on old shares	2,000,000.00	
To dividend on new shares	1,220,000.00	
Proportionate dividend, or one pound and ten shillings sterling per share on the new shares, viz.: 1220,000—which at 1½% the rate of the day, will absorb \$2,427,586.21		
	2,427,586.21	
To transfer to silver reserve fund	500,000.00	
To balance forward to next half-year	2,000,387.85	
	\$10,147,974.06	

By balance of profit and loss account, 30th June, 1907	\$1,797,167.54
By amount of net profits for the six months ending 31st December 1907, after making provision for bad and doubtful debts, deducting all expenses and interest paid and due	3,145,806.52
	\$4,942,974.06

STERLING RESERVE FUND.		\$
To balance, £1,500,000 at ex 2	15,000,000.00	
	15,000,000.00	

By balance 30th June 1907, £1,000,000 at ex 2	\$10,000,000.00
By part of premium on new shares 25% at ex 2	5,000,000.00
Invested in sterling securities	\$15,000,000.00

SILVER RESERVE FUND.

To balance	\$13,500,000.00
	\$13,500,000.00
By balance 30th June, 1907	\$11,750,000.00
By balance of premium on new shares 1,250,000.00	
By transfer from profit and loss account	500,000.00
	\$13,500,000.00

COMMERCIAL.

The Yokohama Foreign Board of Trade, dated Yokohama, January, 15th, 1908, has the following:

EXPORTS.

Cotton Yarn.—At the present moment there is no business, but there seems to be a better feeling and business may revive with slightly reduced quotations. Cotton Piece Goods.—No life in the market at present, there being little or no business reported since the New Year. Woollens and Woollen Mixtures.—Stocks heavy and clearances slow. Textiles Generally.—Owing to the tightness of the money market, and in some measure to the uncertainty regarding a proposed alteration in the Consumption Tax of Woollens, dealers adopt a waiting attitude. Raw Cotton.—On account of the fall in silver, spinners are not yet inclined to pay the prices asked by the American growers, the market, however, may improve in the near future. Rice.—On account of the high prices ruling abroad there have been no transactions. Metals.—The beginning of business for the New Year has been marked by smaller bookings than usual, and while the market seems less nervous than at the end of the year, there has been such a shrinkage of values as to induce dealers to act very cautiously with respect to the future requirements. Kerosene Oil.—Owing to the New Year demand is small, and prices have declined slightly. Sugar.—Owing to the anticipated increase in the consumption tax buying has been brisk. Stocks at the present moment are low. Flour.—Stock on hand is about 200,000 sacks. Market is lifeless. Wheat.—Orders are small on account of the high prices ruling in producing countries.

TELEGRAPHIC REPORT RAW SILK.

Since our last report, dated the 24th December, our market has ruled firm and a fair "new year's business" has been done, mostly for America and by Japanese exporters.

WASTE SILK.

Up to the end of last year our market was fairly active, but purchases being restricted to only a few buyers prices are inclined to be weaker. Sales from Dec. 24th to Jan. 6th, 2,700 pounds. Settlements from July 1st to Jan. 6th, 12,800 pounds. Stock on Jan. 7th is estimated at 25,000 pounds.

GENERAL EXPORTS.

Feather Oil.—Stocks are nearly exhausted and few transactions are reported. Copper.—The only sales reported are about 800 tons Furukawa Bessemer.

YARN.

Mr. P. Eduljee, in his Report dated Hongkong 7th February, 1908, states:—With the close of the year prices appear to have reached their lowest point, for on the return of dealers to make their New Year "congratulatory" purchases, better prices were offered. During the late period of depression stocks in the interior were practically exhausted, and dealers now find themselves at a disadvantage in a rising market. Some holders refuse to sell at current rates which show a further appreciation of \$1 to \$2 per bale on late quotations. Reports from the country are satisfactory, the yearly settlements of accounts having passed off there without difficulty, and proportionate confidence is here apparent. With small receipts and larger oil takes stocks show a considerable decrease on last estimate. Bombay is reported strong. The market closes steady and tending upwards. Sales during the interval aggregate 7,491 bales, arrivals amount to 6,577 bales, unsold stock estimated at 31,000 and sold but uncleared stock in second hands at 2,000 bales. Local Manufacture:—Sales of 400 bales No. 1's at \$49 to \$50 are reported. Japanese Yarn:—The business of the interval comprises the sale of a small parcel of 85 bales No. 2's at \$34. Raw Cotton:—At a decline of 75 cents per pound a good business has been done in superior grades and 795 bales new superfine Bengals have been taken up at \$23 to \$24. Medium and common are still unmarketable. In China kinds 150 bales have changed hands at \$24.

Estimated stocks 1,900 bales Indian and 525 bales China. Quotations are \$20 to \$24 Indian and \$23 to \$25 China. Exchange on India has fluctuated slightly and closes unsteady to-day at Rs. 141½ for T.T. and Rs. 142 for Post. On Shanghai 74½ and on Japan 22½. The undernoted business in imported and local spinnings is reported from Shanghai during the fortnight ended the 1st instant, viz:—Indian:—Market brisk with a good enquiry, sales during the interval amounting to nearly 9,000 bales, and prices showing an advance of 1 to 3 Taels. Estimated unsold stock about 55,000 bales. Japanese:—Not much doing, sales amounting to about 1,000 bales on the basis of Tls. 8½ to 9½ for No. 16s, and Tls. 95½ to 105 for No. 20s. Local:—Nothing doing from first hands.

PIECE GOODS.

Messrs. Noel, Murray & Co.'s Report on the Shanghai Piece Goods Trade, dated Shanghai, 30th January, 1908, states:—As we intimated last week business is practically closed pending the passing of the Native New Year festival, which will commence on the 1st proximo and last until the 5th idem, on which date the Custom House resumes work, but the Foreign Banks do not open until the following day. A few of the Public Auctions have taken place, the last being the Eva sale yesterday; the ball will be set rolling again by the Yuen Fong Auction on the 6th February, when we expect to see business in full swing once more. The prospects are much more favourable for a brisk trade at the commencement this year than usual, it being estimated by some of the leading dealers here that not more than ten per cent. of the purchases usually made before China New Year, in anticipation of the opening of the new season, have yet been made. Of course there is still a fair supply already in the hands of the dealers, but there is little doubt but what stocks in the consuming districts are exceedingly low and must be replenished before long. The surviving dealers are, at all events, hopeful and will do doubt benefit by the weeding out that has taken place. A few more of the smaller fry are reported to have left for parts unknown, and we also understand two of the minor Native Banks are retiring from business. Otherwise accounts appear to have been fairly well squared up to now, or arrangements made to carry over.

From Messrs. Nibert & Co.'s Weekly Market Report, dated Shanghai, Jan. 30th, 1908:—Although there is little or no new business to report this week, the small transactions that have taken place here and there tend to confirm belief in the firmness of the present position. As stocks are running down prices are slowly creeping up towards the parity of the producing markets, but so far few sales at the equivalent cost have been made. The suspension of auctions has had a favourable influence on the tone of the market, but unfortunately the relief from that quarter is unlikely to be of sufficient duration to be of material advantage to the trade. Advice from Newchwang report a firm market, more especially for American goods, stocks of which are said to be considerably reduced. Telegrams from America quoting an advance of 3d. to 4½d. have been received, and Manchester again report sales for China at rates which are not yet obtainable here, excepting in cases where dealers themselves are taking the risk of the market advancing. Sales of old stocks are being made from day to day at much better prices than were obtainable three months ago, so that losses are not likely to be so heavy as seemed probable at the beginning of the winter. Another dealer in fancy goods is reported to have suspended payment, with liabilities representing a deficiency of about Tls. 75,000. The cumulative effect of this and other failures should be to lead to a curtailment of facilities to sanguine buyers of small resources. The Chamber of Commerce returns of stocks at the end of December have been published. The usual discrepancies between the estimated figures and those returned appear. English shirtings are 70,000 pieces in excess of the estimate; it is not unlikely that some confusion has arisen in the returns of American Shirtings, and English and American Shirtings, as if these three classes are added together they are only 87,000 or 3 per cent. different from the estimated figures; American Drills are surprisingly heavy, being 156,000 pieces more than was expected, while white shirtings are 235,000 pieces less than the estimated quantity. Turkey Reds are 46,000 pieces in excess, while fancy goods generally are very near the figures in the circular; a stock of over 2,000,000 pieces of plain and figured dyed cotton lastings and Italian cloths should bring it home to importers that the trade in fancy goods requires more careful supervision than has been bestowed upon it in recent times.

SILK

From Mr. F. D. Heffer's report, dated Shanghai, January 27th, 1908. — Telegrams report quiet Markets at Home and quote Gold Killing in London at 11s. Raw Silk. — Business has been restricted to a few small settlements of Chin-cums and Kashing. The Tsatlee Market is quiet and there are no buyers at present quotations. About 200 bales Tsatlees and 250 bales Tsatlee Filatures and New Styles were destroyed by a fire last week. Hand Filatures. — A sale of Small Buffalo is reported at Tls. 645. Steam Filatures. — Nothing doing. Yellow Silks. — A moderate business has been done, the Market closing firm.

MISCELLANEOUS EXPORTS.

Per I.G.M. str. Zielen, sailed 29th Jan., 1908. For Genoa:—173 bales raw silk, 100 bales waste silk. For Antwerp:—100 bales hemp, 16 cases chinaware, 1 case silk piece goods. For Antwerp or Hamburg:—30 cases bristles. For Amsterdam:—100 bales cassia, 16 cases chinaware, 12 rolls matting. For Rotterdam:—17 cases chinaware. For Rotterdam to Hamburg:—10 cases cassia. For Bremen:—164 rolls matting, 91 bales feathers. For Hamburg:—102 rolls matting, 66 half-chests tea, 28 bales fethers, 11 cases chinaware, 7 cases human hair, 2 cases feathers. For Copenhagen:—150 cases feathers. For London:—552 rolls matting.

SHARE REPORTS.

HONGKONG, 7th February, 1908. — Owing to the Chinese New Year holidays the market has been practically closed up to the 5th, and the volume of business transacted during the week is consequently small; rates, however, have continued firm, and in many important cases show a further advance, with a buying tendency in evidence. The bulk of the more important Chinese trading community has not as yet seriously returned to business, and until they do so no general further improvement can be expected. The signs, however, are as good as they were last week, and without undue optimism we look forward to at least a maintenance of the present firmness. Exchange on London T. T. 1/10½ On Shanghai 74½.

BANKS.—Hongkong and Shanghai have improved considerably from last week's nominal rate and after a fair number of sales at 715 and 720 for old, and at 710 and 715 for new shares, closed firm at the last named rates, and although a very small lot of the old is now offering at the time of closing with no finding any immediate buyers the market closes a firm one with a marked upward tendency. National unchanged and without business.

MARINE INSURANCES.—Unions continuing in strong demand the rate has improved to \$850, after a small reported sale at 815, the market closing firm at the former rate, with a continued scarcity of shares. We have no other change or business to report under this heading.

FIRE INSURANCES.—Hongkong remains unchanged with no business. Chins have changed hands at 97 and 98, closing with a few sellers at the latter rate.

SHIPPING.—Hongkong, Canton and Micas have continued to rule so g. and with no sellers meeting the demand at 29, the rate improved to 29½, after a small sale at 29, the market closing steady to strong at the higher rate. With the exception of Sells, which have improved to 46s, with buyers and no sales, we have no change or business to report under this heading.

REFINERIES.—Nothing to report.

MINING.—Charbonnages have changed hands at \$200, and more shares could be placed at that rate. Rauba continue weak and without business at 8. Chinese Engineerings are enquired for at 15½, but we have heard of no business and shares continue very scarce and difficult to obtain at market rates. Langcats have improved to Tls. 450.

DOCKS, WHARVES AND GODOWNS.—Hongkong and Whampoa Docks have been neglected with only small sales at 98 and 97, closing with sellers at the former and probable small buyers at the latter rates. Kowloon Wharves remain quiet and without sales at quotation, closing with a few new issue shares on offer at quotations. The latest news from the north gives Shanghai Docks 80, Hongkew Wharves at 214, both with buyers. Amoy Docks remain neglected.

LANDS, HOTELS & BUILDINGS.—With the exception of a decline in Kowloon Land to 33 sellers, and a small demand for Humphreys at

10, we have nothing to report under this heading.

COTTON MILLS.—Hongkong remains unchanged and without business. In the absence of any quotations from the North we leave the Northern Mills without any alterations.

MISCELLANEOUS.—China Providents are enquired for at 8½, Powells at 5, and Weissmans at 130. Sales have taken place of Cements at 11½, Watkins at 2½, and Watsons at 10½, the last named closing with a small lot on offer at 1040; China Providents close with sellers at 8½, and buyers at 8½, and Cements with sellers at 11½, and possible small buyers at 11½. We have nothing further to report under this heading.

Quotations are as follows:—

COMPANY.	PAID UP.	QUOTATIONS.
Alhambra	Ps. 200	Nominal
Banks—		
Hongkong & Shanghai	{ \$125	\$720 sellers
	{ \$125	\$715
		Ln. £79
		Ln. £78
National B. of China	28	\$51
Bell's Asbestos E. A.	12s. 6d.	\$7½ buyers
China-Borneo Co.		\$12 \$10½
China Light & P. Co.	{ \$10	\$6, sellers
	{ \$1	
China Provident	\$10	\$8½ buyers
Cotton Mills—		
Ewa	Tls. 50	Tls. 56
Hongkong	\$10	\$10, sellers
International	Tls. 75	Tls. 65
Imou Kung Mow	Tls. 100	Tls. 72
Saychee	Tls. 500	Tls. 270
Dairy Farm	\$6	\$16½
Docks & Wharves—		
H. & K. Wharf & G.	\$50	\$55, sellers
		\$53
H. & W. Dock	\$50	\$98, sellers
New Amoy Dock	\$6½	\$10, sellers
Shanghai Dock and Eng. Co., Ltd.	Tls. 100	Tls. 80
Shai & H. Wharf	Tls. 100	Tls. 214
Fenwick & Co., Geo.	\$25	\$14
G. Island Cement	\$10	\$11½, sellers
Hongkong & C. Gas	210	\$175, buyers
Hongkong Electric	\$10	\$14½, sellers
Hongkong Hotel Co.	\$50	\$10½, buyers
Hongkong Ice Co.	\$25	\$240
H. K. Milling Co., Ltd.	\$100	\$150, buyers
Hongkong Rope Co.	\$10	\$24½
Insurances—		
Canton	\$50	\$212½, sellers
China Fire	\$20	\$98, sales & sellers
China Traders	\$25	\$91, buyers
Hongkong Fire	\$50	\$335
North China	25	Tls. 87, sellers
Union	\$100	\$850
Yangtze	\$80	{ \$147½
		{ \$135
Land and Buildings—		
H'kong Land Invest.	\$100	\$101
Humphreys Estate	\$10	\$10, buyers
Kowloon Land & B.	\$30	\$33, sellers
Shanghai Land	Tls. 50	Tls. 107
West Point Building	\$50	\$48
Mining—		
Charbonnages	Ps. 250	\$500, sales & buy.
Rauba	18 10	\$8, sellers
	\$10	\$13
Peak Tramways		\$1 \$2
Philippine Co.	\$10	\$6
Refineries—		
China Sugar	\$100	\$100, sellers
Luzon Sugar	\$100	\$14, buyers
Steamship Companies		
China and Manila	\$25	\$15, sellers
Douglas Steamship	\$50	\$40
H. Canton & M.	\$15	\$29½, sales
Indo-China S. N. Co.	23	{ \$34½, sellers
		{ \$26½, sellers
Shell Transport Co.	21	40, buyers
Star Ferry	\$10	\$24
Do. New	\$5	\$12½
South China M. Post.	\$25	\$20
Steam Laundry Co.	\$5	\$6, sellers
Stores & Dispensaries		
Campbell, M. & Co.	\$10	\$17, buyers
Powell & Co., Wm.	\$10	\$5, buyers
Watkins	\$10	\$2½, sales
Watson & Co., A. S.	\$10	\$10.40, sellers
Wiesmann Ltd.	\$100	\$130, buyers
United Asbestos	\$4	\$10, buyers
Do. Founders	\$0	\$150, buyers
Union Waterboat Co.	\$10	\$10½, sellers

VERNON & SMYTH, Brokers.

Messrs. J. P. Bisset & Co.'s Share Report for the week ending 30th January, 1908, has the following:—Large purchases and sales of Shanghai and Hongkew Wharves for March and June have been the feature of this week's business. There has also been another sharp rise in Maatschappij, &c., in Langkats to record. Business on the whole has been fairly active, but we anticipate no business next week owing to the China New Year holidays, and therefore our usual weekly circular will not be issued. Banks.—Hongkong and Shanghai Banks. There has been no business done since our last. Insurance.—North-Chinas.—There are sellers at quotations. Yangtszes have improved slightly to \$152½ and \$142½ for the old and new respectively. Shipping.—Indos. A single transaction is reported in preferred and deferred shares at Tls. 20 and Tls. 19 respectively. Docks and Wharves.—Shanghai Dock and Engineering Co. Ltd. A small business has been done at better rates, and we quote the market as Tls. 74 for cash and Tls. 76 for March buyers. Shanghai and Hongkew Wharves. Considerable business has taken place since our last. The market opened with cash shares at Tls. 212 and Tls. 215 for March. Heavy sales then taking place depressed the market rate from Tls. 215 to Tls. 209 cash and Tls. 212½ March. On the 27th, however, a demand for shares caused a slight rise to Tls. 211 for cash and Tls. 214 for March and the market closes with buyers at these rates. For June a fair business has also been done from 216 to Tls. 212½ but at the close we quote buyers at Tls. 214. Sugar Cos.—Nothing reported. Mining.—A sale is reported of Kaipings at Tls. 15½. Lands.—Shanghai Lands. A large business has been done for cash at Tls. 107. Anglo-French Lands have been placed at Tls. 164. Industrial.—Cottons. There is no business reported this week. Shanghai Gas Co. Shares have changed hands at Tls. 113. Major Bros. Offers are wanted. China Flours have declined to Tls. 50 cash and Tls. 52 for March closing with sellers. Maatschappij, &c., in Langkats. Our market opened with sales at Tls. 398 for March. On the 24th cash shares were dealt in at Tls. 395 and Tls. 397½. On the 28th sales were reported at Tls. 405 for March which was the lowest point reached, when a strong demand set in and the rate for cash advanced to Tls. 500; for March Tls. 126. Miscellaneous.—Telephones have been placed at Tls. 51. Shanghai Horse Bazaars. A transaction is reported at Tls. 45. Loans and Debentures.—Shanghai Municipal six per cents have been placed at Tls. 99.

EXCHANGE.

FRIDAY, February 7th

ON LONDON.—Telegraphic Transfer	110½
Bank Bills, on demand	110½
Bank Bills, at 30 days' sight	110½
Bank Bills at 4 months' sight	110½
Credits, at 4 months' sight	111½
Documentary Bills, 4 months' sight	111½
ON PARIS.—Bank Bills, on demand	237
Credits 4 months' sight	243
ON GERMANY.—On demand	193
ON NEW YORK.—Bank Bills, on demand	152
Credits, 60 days' sight	152
ON BOMBAY.—Telegraphic Transfer	141½
Bank, on demand	142
ON CALCUTTA.—Telegraphic Transfer	141½
Bank on demand	142
ON SHANGHAI.—Bank, at sight	74½
Private, 30 days' sight	75
ON YOKOHAMA.—On demand	92½
ON MANILA.—On demand	92½
ON SINGAPORE.—On demand	23 p.c. pm.
ON BATAVIA.—On demand	11½
ON HAIPHONG.—On demand	5½ p.c. pm.
ON SAIGON.—On demand	5½ p.c. pm.
ON BANGKOK.—On demand	8½
SOVEREIGNS, Bank's Buying Rate	\$10.45
GOLD LEAF, 100 fine, per tael	\$5.65
BAR SILVER, per oz	25 ½

SUBSIDIARY COINS.

	per cent
Chinese 20 cents pieces	\$7.10 discount.
" 10 " "	7.70 "
Hongkong 20 " "	6.55 "
" 10 " "	6.95 "

SHIPPING.

ARRIVALS AND DEPARTURES SINCE LAST MAIL.

January—	
ARRIVALS.	
31, Bengloe, British str., from London.	
31, Gregory Apcar, Brit. str., from Calcutta.	
31, Hanoi, French str., from Haiphong.	
31, Kwangtai, Chinese str., from Shanghai.	
31, Machew, German str., from Bangkok.	
31, Phraang, German str., from Bangkok.	
31, Taming, British str., from Manila.	
February—	
1, China, American str., from San Francisco.	
1, Eastern, British str., from Melbourne.	
1, Fukushu Maru, Jap. str., from Anping.	
1, Hsiching, British str., from Swatow.	
1, Japan, British str., from Nagasaki.	
1, Kleist, German str., from Bremen.	
1, Kwongsang, British str., from Shanghai.	
2, Bourbon, French str., from Saigon.	
2, J. Diederichsen, Ger. str., from Hoibow.	
2, Nissin Maru, Japanese str., from Moji.	
2, Phenipenb, British str., from Saigon.	
3, Bluecross, British str., from Cardiff.	
3, Brasilia, German str., from Hamburg.	
3, Chiyuen, Chinese str., from Shanghai.	
3, Chowfa, German str., from Saigon.	
3, Ernest Simons, Fr. str., from Marseilles.	
3, Frithjof, Norwegian str., from Saigon.	
3, Merapi, Dutch str., from Java.	
3, Orland, British str., from Rajang.	
3, Sido Maru, Jap. str., from Yokohama.	
3, Shimosa, British str., from Shanghai.	
3, Sungkiang, British str., from Iloilo.	
3, Tjibodas, Dutch str., from Moji.	
3, Yarra, French str., from Yokohama.	
3, Yochow, British str., from Shanghai.	
3, Yuenhsang, British str., from Manila.	
3, Zafiro, British str., from Manila.	
4, Drumgrith, Br. str., from Bristol Channel.	
4, Hongbee, British str., from Singapore.	
4, Kowloon, German str., from Chinkiang.	
4, Kwangse, British str., from Chinkiang.	
4, Landrat Scheiff, Ger. str., from Shanghai.	
4, Nubia, British str., from London.	
4, Polyphenus, British str., from Takao.	
4, Prinz Sigismund, Ger. str., from Sydney.	
4, Prometheus, Norw. str., from Bangkok.	
4, Taizang, British str., from Iloilo.	
5, C. Ferd. Laeisz, Ger. str., from Shanghai.	
5, Changsha, British str., from Sydney.	
5, Lydia, German str., from Wuhu.	
5, Manchuria, Am. str., from San Francisco.	
5, Menelaus, British str., from Singapore.	
5, Nanchang, British str., from Shanghai.	
5, Tjilatjap, Dutch str., from Moji.	
5, Tungshing, British str., from Wuhu.	
5, Waishing, British str., from Weihaiwei.	
5, Yatshing, British str., from Wuhu.	
6, Awa Maru, Jap. str., from Singapore.	
6, Dela, British str., from Bombay.	
6, Deucalion, British str., from Singapore.	
6, Haitan, British str., from Coast Ports.	
6, Hangchow, British str., from Shanghai.	
6, Hellas, German str., from Wakamatsu.	
6, Joslin Maru, Japanese str., from Tamsui.	
6, Kiang Pong, Chi. str., from Chinkiang.	
6, Kueichow, British str., from Swatow.	
6, Luertes, British str., from Saigon.	
6, Lanza, Italian str., from Bombay.	
6, Nanahan, British str., from Saigon.	
6, Phuyen, French str., from Saigon.	
6, Shaohsing, British str., from Shanghai.	
6, Taiwan, British str., from Saigon.	
January—	
DEPARTURES.	
31, Amara, British str., for Saigon.	
31, Chibli, British str., for Haiphong.	
31, Chingtu, British str., for Manila.	
31, Haimun, British str., for Coast Ports.	
31, Kumsang, British str., for Singapore.	
31, Loongsang, British str., for Manila.	
31, Moyori Maru, Jap. str., for Shanghai.	
31, Numantia, German str., for Portland.	
February—	
1, Astanax, British str., for Saigon.	
1, Bengloe, British str., for Nagasaki.	
1, Kaifuku Maru, Jap. str., for Rangoon.	
1, Kueichow, British str., for Hoibow.	
1, Paklat, German str., for Bangkok.	
1, Rubi, British str., for Manila.	
1, Siberia, American str., for San Francisco.	
2, Daijin Maru, Japanese str., for Swatow.	
2, Gregory Apcar, Brit. str., for Shanghai.	
2, Kleist, German str., for Shanghai.	
2, Kohsiang, German str., for Bangkok.	
2, Paoting, British str., for Shanghai.	
2, Prinz Waldmar, Ger. str., for Manila.	

- 2, Proteus, Norwegian str., for Bangkok.
- 3, Ernest Simon, Fr. str., for Shanghai.
- 3, Tjibodas, Dutch str., for Batavia.
- 4, Chinano Maru, Jap. str., for Shanghai.
- 4, Yarra, French str., for Europe, &c.
- 5, Brasilia, German str., for Shanghai.
- 5, Eastern, British str., for Moji.
- 5, Sado Maru, Japanese str., for Singapore.
- 5, Sexta, German str., for Saigon.
- 5, Taming, British str., for Manila.
- 6, C. Ferd. Laeisz, Ger. str., for Singapore.
- 6, Fukushu Maru, Jap. str., for Swatow.
- 6, Haioling, British str., for Coast Ports.
- 6, Hsichow, British str., for Swatow.
- 6, J. Diederichsen, Ger. str., for Hoibow.
- 6, Kueichow, British str., for Hongkong.
- 6, Nubia, British str., for Yokohama.
- 6, Polyphenus, British str., for Singapore.
- 6, Protector, Danish str., for Saigon.

PASSENGERS.

ARRIVED.

Per *Changsha*, from Sydney via Ports, Mrs Cameron, Mrs Russell, Miss Vicary, Miss Heuin, Messrs. Bilby, Pew, Burgoyne, Jackson, Rowe, Fitzgerald, Page, and Southerland.

Per *Prinz Sigismund*, for Hongkong, from Sydney, Mr and Mrs Roper, Mr, Mrs and Miss Cole, Mr, Mrs and Miss Crew, Misses Chrystal, and Elliot, Count Hockberg, Messrs. Houley, W. Hammel, & W. Schreiterer; from Brisbane, Mr J. O'Brien; for Yokohama, from Sydney, Dr and Mrs J. Molyneux; from Brisbane, Mr Marocke.

Per *Kleist*, for Hongkong, from Southampton, Messrs. H. L. Denny, and Robert J. Brown; from Genoa, Mr and Mrs W. F. Neighbour, Dr and Mrs Curt Danneil, Dr. Phil. R. Hermann, Messrs. Paul Hube, G. L. Brighton, F. K. Ritson, Juan Sciboth, Wilh. Schütz, Kurt A. Helm, and Carlo Tognacco; from Naples, Mr and Mrs C. M. Jenkins; from Port Said, Rev. John H. Groff, and Mr Fritz Bayer; from Colombo, Mr F. C. Royster and family; from Singapore, Mr and Mrs Dowley, Messrs. H. von Dirksen, and George Schnitzler.

Per *Della*, from London, &c., Mr and Mrs Thompson, Mr and Mrs J. W. Stokes & infant, Mr and Mrs Campbell and 2 children, Mr and Mrs A. Thompson, Mr, Mrs and (2) Misses Lowanadler, Mrs Hill and 2 children, Mrs Forster, Mrs Beadles, Mrs Hoopers and amah, Miss Sangrave, Miss Wilmette, Dr. Stanhouse, Dr. L. B. Keng and servant, Capt. Bretherton, Inspector Langley, Messrs. T. K. Lang, Stratford, A. C. Loftis, J. H. Green, W. H. Wilson, S. D. Pyke, S. Steel, Man Steel, C. H. Morland, W. Saunders, S. L. James, J. W. Taylor, Carr, J. G. Brown, H. C. Gibson, R. A. St. John, T. K. Waugh, G. B. Byrne, J. C. Dowling, R. Baird, Cunningham, W. Beddoe, R. Percival, P. D. Butter, F. B. Winter, Kronig, E. Hunter, W. Johnson, O. Matthews, J. A. Delay, J. Forster, J. Steven, L. Peck, L. Stanfield, Behrens, Khan and Hallen.

Per *Manchuria* from San Francisco via Ports, Mr and Mrs F. C. Arrance, Mr and Mrs J. L. Dryden, Mr and Mrs C. J. Hallet, Mr and Mrs J. Fritsch, Mr and Mrs C. Pardee, Mr and Mrs C. L. Stone, Dr and Mrs C. T. Sibley, Mrs W. H. Bradley, Mrs A. E. Byrnes, Mrs L. J. Dryden, Mrs A. C. McCullough, infant and maid, Mrs M. McDonald, Mrs A. Rodgers, Misses G. J. Dryden, C. E. Wherry, and Pia de Souza, Dr. I. W. Kew, Capt. Kretlichmon, Rev. E. A. Sibley, Messrs. L. Bankson, A. F. Byars, D. P. Dufour, C. Edwards, A. Mackillop, J. A. B. Elra, M. Shibbath, S. S. Gatto, J. L. Myers, W. Sexton, M. R. Stone, J. H. Plummer, P. W. Chasleson, E. Ellis, W. M. White, R. W. Thurst n, O. F. Ytter, J. Mackin, and R. Charleson.

DEPARTED.

Per *Kleist*, for Shanghai, Mr and Mrs Remedios and baby, Capt. H. Plumbeck, Capt. P. Bourren, Messrs. W. H. Berchenough, L. F. Deelaney, C. Watkins, A. Lampert, H. Einstmann, A. Michael, Le Brown and K. Thomas; for Nagasaki, Mrs M. Yokoyama, Messrs. A. L. Hulbert, Kubo and party, Koga, H. Yamaka, Takushima, Yamakahi, Matsumoto and Kimura; for Yokohama, Major and Mrs Hatch, Miss C. Gibb, & Mr T. A. H. Numnuak.

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